UNIVERSITY OF MANITOBA

ANNUAL FINANCIAL REPORT 2005

106-01056/

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(Additional information is available at www.umanitoba.ca/admin/financial_services/)

MISSION STATEMENT

"The mission of the University of Manitoba is to create, preserve and communicate knowledge and, thereby, contribute to the cultural, social and economic well-being of the people of Manitoba, Canada and the world".

In fulfilling its mission, the University of Manitoba seeks to:

- *Provide the highest possible quality of undergraduate and graduate university teaching in the humanities, social sciences, natural and applied sciences, the fine and performing arts and the professions;*
- *Enhance student success by fostering an environment conducive to intellectual and personal growth;*
- *Conduct original scholarship and basic and applied research, and produce creative works of highest quality as judged by international standards;*
- *Serve the community directly by making its expertise available to individuals and institutions, and by providing as much access to the university's intellectual, cultural, artistic and physical resources as its primary teaching and research responsibilities permit;*
- *Preserve and protect academic freedom and intellectual independence, and provide a forum for critical inquiry and debate; and,*
- *Promote equity in access and employment and in the conduct of the university's affairs.*

REPORT OF THE BOARD OF GOVERNORS

To the Minister of Advanced Education and Training, Winnipeg, Manitoba

In Compliance with Section 22(1) of The University of Manitoba Act, the Annual Report on the financial affairs of the University for the year ended March 31, 2005 is herewith submitted to the Minister of Advanced Education and Training. In this report, we set forth in detail –

(a) the receipts and expenditures for the next preceding fiscal year,
(b) the investments as they stood at the end of the year, and
(c) other particulars which may be of interest to the Minister of Advanced Education and Training.

Included with this Report are the Financial Report of the Vice-President (Administration), the Statement of Responsibility for Financial Reporting and the Report of the Auditor General of the Province of Manitoba on the audit of the accounts of the University.

Receipts and Expenditures:
Summary of General Operating Fund Results
(in thousands of dollars)

	Year Ended March 31 2005	2004
Revenues and Other Additions	$ 362,033	$ 351,276
Expenditures and Other Deductions	340,386	322,710
Net Revenues	21,647	28,566
Appropriated To Specific Provisions	(3,628)	(1,919)
Inter-Fund Transfers	(17,966)	(26,550)
Net Increase To Fund Balances	$ 53	$ 97

Additions exceeded deductions by $21,647,000 for the current fiscal year. Net appropriations of $3,628,000 were made to specific provisions and an amount of $17,966,000 was transferred to other funds. The resulting net surplus of $53,000 has been added to the general operating balance in the General Operating Fund, increasing it to a balance of $1,853,000 as at March 31, 2005.

Investments:
Investment holdings at March 31, 2005 were as follows (at fair value):
(in thousands of dollars)

Canadian Bonds and Other Fixed Income	$ 83,289
Canadian Equities	82,543
U.S. Equities	47,078
International Equities	49,977
Other Short Term Investments	177,277
	$ 440,164

Details of the above summaries will be found in the Consolidated Financial Statements of the University which follow.

REPORT OF THE BOARD OF GOVERNORS

Members of the Board of Governors:

At March 31, 2005 the members of the Board of Governors were as follows:

Chair
Wayne R. Anderson, B.S.A., M.B.A.

Vice-Chair
Terry Sargeant, B.A., LL.B

Chancellor
William Norrie, C.M., O.M., Q.C., B.A., LL.B., LL.D. (Manitoba), LL.D. (Winnipeg)

President and Vice-Chancellor
Emőke J.E. Szathmáry, C.M., B.A.(Hons.), Ph.D., LL.D. (Toronto), D.Sc. (Western Ontario), D.Litt.S. (St. Michael's College)

Appointed by the Lieutenant-Governor-in-Council:
Morgan Albl, B.A., (Hons.)
Alfred Black, B.Math., M.Math.
Ellen Gordon, B.A., M.S.W.
Graham Lane, B.A., C.A.
Lisa Meeches, B.A.
Soam Narine, B.A., A.C.M.I.
Strini Reddy, O.M., B.A., B.Ed., M.Ed.
Terry Sargeant, B.A., LL.B.
Jennifer Simons, B.A.
Thomas Strutt, B.A. (Hons.), M.A., LL.B.
Shirley Van Schie, B.A. (Adv.), M.A., LL.B.

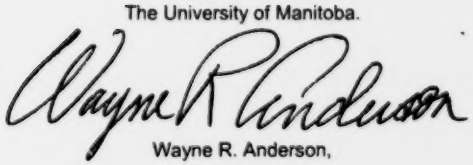
Elected by Senate
Juliette E. Cooper, Dip. P. and O.T., B.O.T., M.Sc., Ph.D.
Harry W. Duckworth, B.Sc.(Hons.), Ph.D.
Janet Hoskins, B.E.S., M.Sc., Ph.D.

Elected by Graduates
Wayne R. Anderson, B.S.A., M.B.A.
Ian C.P. Smith, B.Sc. (Hons.), M.Sc., Ph.D., D.Sc. (H.C.), D.Sc. (H.C.), Fil. Doktor (H.C.)
Doug Ward, Q.C., B.A., LL.B.

Elected by the University of Manitoba Students Union
Amanda Aziz
Meghan Gallant, B.Sc.
Cathy Van De Kerckhove, B.Sc., B.A.

University Secretary
Jeffrey M. Leclerc, B.Ed.

Respectfully submitted,
The Board of Governors,
The University of Manitoba.



Wayne R. Anderson,
Chair.

FINANCIAL REPORT OF THE VICE-PRESIDENT (ADMINISTRATION)

The 2004-2005 fiscal year was a very challenging but successful year as University of Manitoba faculty and support staff pursued the University's vision of excellence and innovation in teaching, research and community service. Over the past year, *Building for a Bright Future*, the University's strategic academic plan, continued to steer the University on its course "*To affirm the University of Manitoba among the best of Canada's research intensive institutions and to lead our nation in demonstrating a commitment to the education of a broad sector of society*".

Building for a Bright Future identified five institutional priorities which will move the University forward in achieving this vision as follows:

1. Provide access to an exceptional education.
2. Attract and retain the best.
3. Be a centre for research and graduate education that makes a difference to our province, our nation and our world.
4. Provide the human, physical and technological infrastructure necessary for learning and research.
5. Be at the centre of our community: On Manitoba.

Each priority is addressed in the following report in connection with a review of the financial results of the University for the fiscal year ended March 31, 2005. In doing so I share the University community's success in achieving these five institutional priorities and moving the University forward in achieving its vision.

Investing in the University of Manitoba

For fiscal year 2004-2005, total University revenue in all of its Funds (unrestricted and restricted) was $561.7 million, an increase of 9.5% over 2003-2004 revenue of $512.8 million. Approximately $257.4 million or 46% of the University's total revenue comes from the Province of Manitoba through the Council on Post-Secondary Education ("COPSE"), Manitoba Health, Agriculture and various provincial councils and funds in support of teaching, innovation, capital and research. In addition, in fiscal 2004-2005 the Province further demonstrated its commitment to the University of Manitoba by permitting the institution to borrow from the Province $75 million to finance major capital expansion and infrastructure improvements. These monies will be used to bridge finance new capital building projects such as the Engineering and Information Technology Complex and the Richardson Centre for Functional Foods and Nutraceuticals, as pledges are received from donors to the successful *Building on Strengths* Capital Campaign. Debt proceeds will also be used for technology improvements to bring building cabling and classrooms up to date and to begin to address long standing deferred maintenance and health and safety issues on the aging Fort Garry and Bannatyne campuses.

Students, through their tuition and incidental fees, also provide a major source of revenue in support of the University's operation, with $88.1 million being assessed and collected in 2004-2005, an increase of 5.5% over 2003-2004 fees of $83.5 million. Fees represent about 15.7% of total revenues. A tuition fee freeze has been in effect since 2000-2001 and as a result increases in tuition fees are attributable primarily to full-time equivalent enrolment increases of about 4.2% in undergraduate and graduate programs over 2003-2004, and in part to differential fee increases for international students over the past year.

The Government of Canada is also a major supporter of the University of Manitoba. In 2004-2005, contributions of $79.8 million, or 14.2% of total revenues were received, relating to specific research projects awarded through the federal granting councils ($56.3 million), major capital projects and awards under the Canada Foundation for Innovation and Western Economic Diversification programs ($16.5 million), the Indirect Costs of Research program ($6.6 million) and other smaller programs such as Careerstart ($400,000).

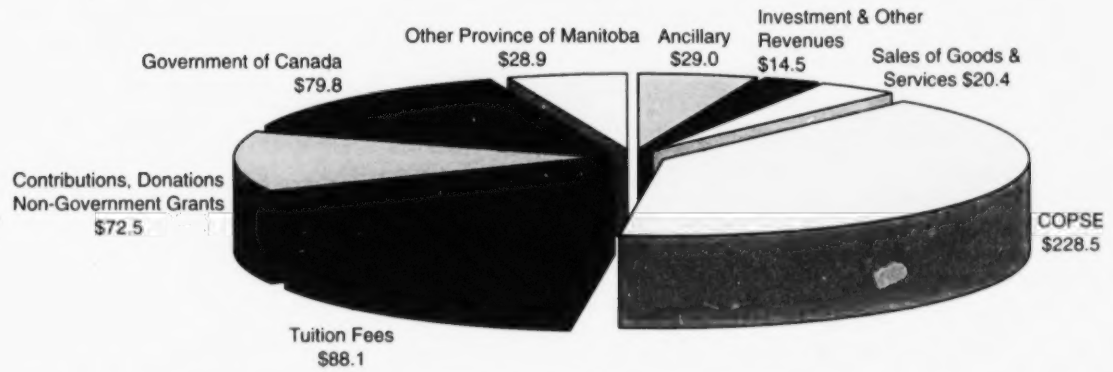
The University of Manitoba also received $72.5 million in contributions, donations and grants in support of research, special projects and initiatives, capital, chairs, scholarships, bursaries and staff benefits in 2004-2005 from our generous individual and corporate donors, contributors and employees. This represents 12.9% of total revenue. Most all of this revenue is restricted for various purposes by the donor, contributor or employee (as is the case for employee contributions to staff benefits plans) and as such it cannot be used to support the general operation of the University.

The University's Ancillary Services, which are comprised of the Book Store, Residences, Parking and Pharmacy generated $29 million or 5.2% of total revenue in 2004-2005. Ancillary Services are completely self-sustaining and contribute to the University's operation by covering their share of overhead in addition to their direct costs, as well as the capital costs of refurbishing Ancillary facilities, acquiring equipment and building and upgrading parking lots.

The sale of various goods and services generated $20.4 million in 2004-2005 or 3.6% of total revenues for many faculties and schools, supplementing the resources that are available to them for operating purposes while at the same time providing important linkages to the community. In addition, investment income and other miscellaneous revenue of $14.5 million or 2.6% of total revenues were generated from the investment of general, staff benefits and trust and endowment cash on hand.

The pie chart in **Table 1, Total Revenue - All Funds** is a pictorial representation of the revenues of the University by these various sources.

Table 1
Total Revenue - All Funds ($561.7M)
(General Operating $362.0M; Restricted $189.0M; Endowment $10.7M)
March 31, 2005



In June 2004 the University commissioned a major accounting firm to do an independent economic impact study of the effect of the University of Manitoba's operation and its various undertakings on the Province of Manitoba and the City of Winnipeg. The report that was issued contained not only the traditional quantitative benefits brought about by purchasing and procurement activities, but also many qualitative benefits relating to educating and training students and contributing to the creation of knowledge, innovation and economic development in the Province through its faculty and graduates.

The gross output impact was indeed very impressive with $696 million of initial expenditures on operating, research and planned capital activities in 2002-2003 generating $1.2 billion of economic impact in the Province. On a value added basis, $643 million of economic activity was stimulated in the Province and $552 million in the City alone. As a result, a large part of the dollars invested in the University of Manitoba by the Province and the people of Manitoba stay in Manitoba, attesting to the University's commitment to Manitoba's wealth and prosperity. When one considers that approximately $100 million of the University's revenue came from outside the Province in 2002-2003, the return on investment to the City, the Province and all Manitobans also exceeds the direct investment by Manitobans on a value added basis. The University of Manitoba is also one of the Province's largest employers, providing direct employment to almost 6,700 full-time, part-time and casual staff and indirectly creating a further 6,846 full-time jobs in the Province.

The qualitative benefits however, that the University brings to the City and the Province are equally impressive. As a world class research institution, researchers at the University have made many breakthroughs in medicine, agriculture, engineering and science over the years. For example, University research has led to the elimination of Rh disease of the newborn, allowing Rh negative mothers and Rh positive babies to live healthily. It has led to the development of canola, Canada's top edible oil, and increased knowledge of HIV/AIDS, resulting in more effective infection control strategies throughout the world. New instruments and techniques in mass spectrometry have been developed at the University which have widespread implications in medicine, agriculture and biology. These discoveries have put Manitoba on the map in today's global economy. Many University of Manitoba graduates have also remained in Manitoba and contribute to the Province and the City with the knowledge, skills and insights that they developed as students. In addition to training Manitoba's business leaders, innovators and health care providers, faculties at the University continue to work closely in collaboration with business and industry on a daily basis.

The full economic impact study report may be viewed on the University's website by visiting www.umanitoba.ca/admin/vp_admin/financial.shtml or by contacting the Office of the Vice-President (Administration) for a paper copy.

University Operations

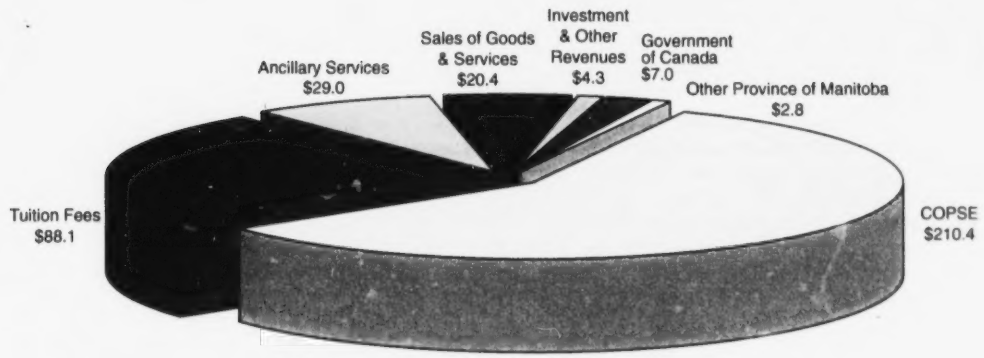
The operating results of the University of Manitoba for fiscal year 2004-2005, shown on a comparative basis with 2003-2004, are summarized in **Table 2, General Operations**, together with the April 1, 2004 Board of Governor approved operating budget. Operating revenues are shown by source, and expenses by function and type, to provide an overview on how the University spends its resources in the General Operating Fund. The University has historically been very successful at achieving a balanced budget at the end of each fiscal year. This is due to a strong commitment on the part of the University's administration to fiscal responsibility and financial stability as well as a strong commitment by faculties, schools, libraries and support units who share in that responsibility. This is achieved in a decentralized system of budgetary control whereby academic and support units are allocated resources on an annual basis to meet their strategic priorities and those of the University. These operating units are provided with procedures to administer their budgets responsibly and to ensure that there is accountability for the resources that are transferred to them.

Table 2
General Operations
Summary Statement
(in thousands of dollars)

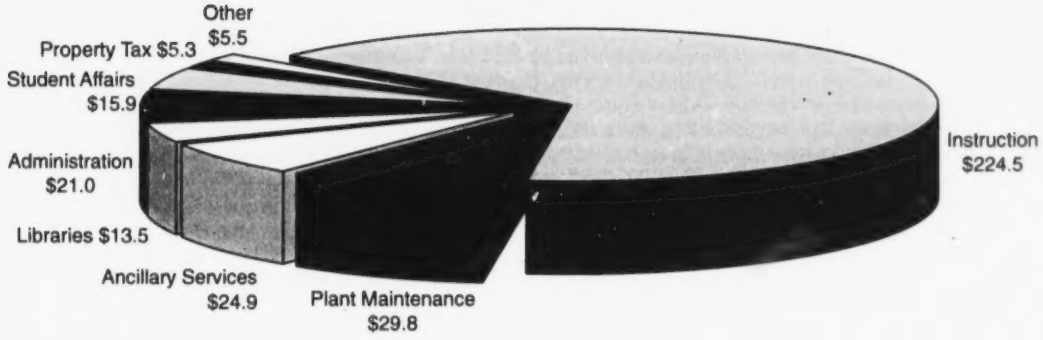
	April 1, 2004 Budget	March 31, 2005 Actual	March 31, 2004 Actual
Revenue:			
COPSE	$ 210,939	$ 210,416	$ 205,969
Tuition Fees	86,374	88,120	83,517
Ancillary Services	27,444	29,021	27,871
Sales of Goods & Services	18,387	20,367	20,228
Investment & Other Revenues	4,007	4,329	5,314
Government of Canada	6,115	6,969	6,482
Other Province of Manitoba	1,722	2,811	1,895
	354,988	362,033	351,276
Expense by Function:			
Instruction	$ 203,315	$ 224,455	$ 211,537
Central Reserves *	32,454		
Plant Maintenance	31,662	29,845	28,712
Ancillary Services	27,444	24,928	23,664
Libraries	19,679	13,506	13,027
Administration	17,140	20,950	19,617
Student Affairs	15,512	15,871	14,452
Property Tax	5,300	5,277	6,900
Other	7,452	5,554	4,801
	359,958	340,386	322,710
Net Revenue	(4,970)	21,647	28,566
Net Transfer to/from Other Funds	4,970	(21,594)	(28,469)
Net Increase to Fund Balance	$	$ 53	$ 97
Expense by Type:			
Academic & Other Instructional Salaries	$ 128,154	$ 133,318	$ 125,871
Support Staff Salaries	84,822	88,307	83,284
Supplies and Expenses	74,833	44,690	43,055
Staff Benefits	31,751	33,574	28,859
Utilities	15,483	15,146	15,643
Ancillaries Cost of Goods Sold	15,110	15,349	14,642
Property Tax	5,300	5,277	6,900
Payroll Tax Levy	4,505	4,725	4,456
	$ 359,958	$ 340,386	$ 322,710

* Represents funds budgeted for distribution to units' budgets during the year for salary and contract increases and other centrally funded purposes.

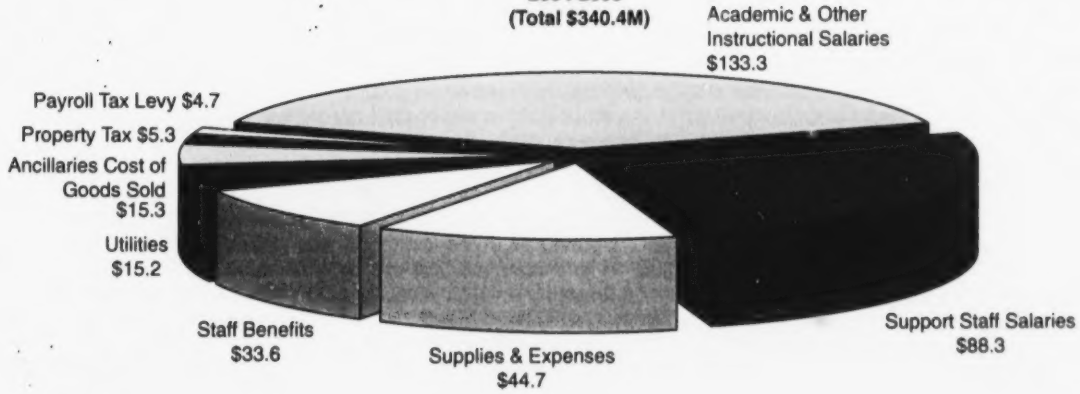
General Operating Fund
Revenue by Source
2004-2005
(Total $362.0M)


Investment & Other Revenues $4.3
Sales of Goods & Services $20.4
Government of Canada $7.0
Ancillary Services $29.0
Other Province of Manitoba $2.8
Tuition Fees $88.1
COPSE $210.4

Expense by Function
2004-2005
(Total $340.4M)



Expense by Type
2004-2005
(Total $340.4M)


Academic & Other Instructional Salaries $133.3
Payroll Tax Levy $4.7
Property Tax $5.3
Ancillaries Cost of Goods Sold $15.3
Utilities $15.2
Staff Benefits $33.6
Supplies & Expenses $44.7
Support Staff Salaries $88.3

The current fiscal year is no exception with a general operating surplus of $53,000 after net transfers of $21.6 million to other funds. The most significant of these are transfers to the capital fund of $21 million for the acquisition of furniture and equipment, computers, library acquisitions and vehicles and for the renovation of various facilities. The use of operating funds to support the acquisition of minor capital is consistent with practices in prior years as funding is generally not available from other sources. Because the University uses fund accounting to account for its revenues and expenses there are, however, many transfers between funds which are detailed in the notes to the accompanying financial statements.

General operating expenses increased by $17.7 million or 5.5% in fiscal 2004-2005 over 2003-2004. In the review of operating expenses by function, about $12.9 million of the increased expense is attributable to the instruction of students, $1.1 million to plant maintenance, $1.3 million to administration, $.5 million to Libraries and $1.4 million to student services. The remaining $.5 million relates to increases in various general expenses such as changes in the vacation pay liability and increases to Cancopy license fees, net of decreases in property taxes of $1.6 million as the phase out of these taxes by the Province continues. In the review of expenses by expense type, virtually all of the $17.7 million increase can be attributed to increases in salary, benefits and payroll tax costs, resulting from salary increases and increased staff numbers in 2004-2005.

Building for a Bright Future

Provide Access to an Exceptional Education - Attract and Retain the Best

Staff

The University of Manitoba is all about people with about 76% of its current year's operating expenses being spent on salaries and related costs. In 2004-2005, the University employed 3,537 full time equivalent ("FTE") staff on a year round basis, 1,606 of which were academic staff and 1,931 of which were administrative and support staff. This represents a net increase in academic and support staff of 148 FTE positions over 2003-2004. Ancillary Services employed a further 129 FTE staff, an increase of 8 FTE over 2003-2004, making the University one of the largest employers in Manitoba.

Table 3, Historical Comparisons of Academic and Support Staff Positions (excluding the Ancillary Services) depicts changes in staff levels since 1982. Staff numbers grew to the 1990-1991 fiscal year then declined throughout the 1990's as student numbers declined. Academic staff numbers are now at an all time high, as new faculty are hired to replace those who chose early retirement in the 1998-1999 fiscal year. Student numbers are also at an all time high with 27,631 students attending classes in the fall and winter session and 10,328 students attending summer session.

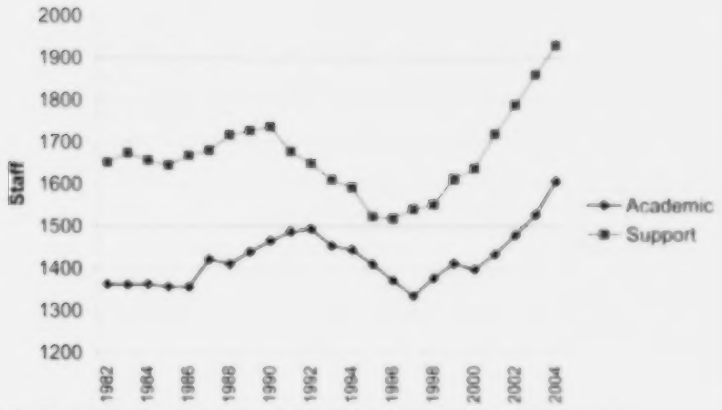
Support staff positions grew by 70 FTE in 2004-2005. People are the driving force in the overall success of the University of Manitoba and the growth in positions to match growing student numbers is evidence of the University's commitment to provide students with the exceptional education that they expect and deserve. The student experience in the classroom and the research laboratories is paramount to their future success.

Attracting and retaining the best faculty and staff is challenging in a University environment as universities world-wide compete for the best by offering attractive compensation packages, state-of-the-art facilities in which to teach and perform research and state-of-the-art equipment in the classrooms and laboratories. In 2004-2005, the University of Manitoba aggressively recruited a number of academics and scholars who are top in their fields. For example, in the Faculty of Physical Education and Recreation Studies a scholar was recruited to create an Aboriginal coordinated sport and recreation delivery system. Law was successful in recruiting a professor specializing in tort law, mediation and dispute resolution. Engineering has attracted four professors specializing in fields such as applied and computational electromagnetics and the modeling of power electronic systems. Architecture has attracted a professor specializing in artificial ecologies, sustainability and metabolic systems as well as interactive systems design.

Faculty achievements in 2004-2005 throughout the University community were many and varied and are too numerous to detail in this report. They range from international awards for groundbreaking research on limb and muscular dystrophy, to appointments to the Order of Canada for exploring the identity of the Prairies, to being named a Fellow of the Royal Society of Canada for innovations in the field of flight mass spectrometry as applied to the identification and analysis of bio-molecules.

To address infrastructure, facilities and the technology needs of University professors and researchers and to bring our facilities in line with those of the competition, an integrated debt financing plan was devised and presented to the University's Board of Governors and the Province for consideration and approval in March 2004. This plan was successful and on March 1, 2005, $75 million in debt financing was advanced by the Province to begin addressing the University's need for up-to-date classroom technology, new cabling in buildings and for addressing deferred maintenance problems. Many projects are scheduled to begin this summer and will continue over the next five years.

Table 3
Historical Comparisons of Academic and Support Staff Positions
University of Manitoba 1982-2004



1. The above represents full time equivalent operating budget positions and excludes Ancillary Enterprises.
2. Support staff are defined as non teaching positions in the Faculties, Schools & Colleges as well as Financial Services, Human Resources, Information Services & Technology, Physical Plant, Student Services, University Services, the Office of the President and Academic Librarians.

Students

The University has continued to experience growth in student enrolment for the seventh consecutive year with undergraduate and graduate enrolments climbing to an all time record high of 25,420 FTE students, representing an overall growth in students of 4.2% over 2004-2005. This growth translated into increased fee revenues which are an important source of funding for the University's operation, generating fees of $88.1 million in 2004-2005. The enrolment growth over the past seven years is largely attributable to the University's commitment to accessibility and to an aggressive marketing campaign designed to raise the level of awareness of the University of Manitoba in the Province, as well as across the country and internationally. This has been successful as the increase in international student enrolments to 2,304 students is almost triple the number from the 2000-2001 fiscal year and represents an increase of about 34% over 2003-2004.

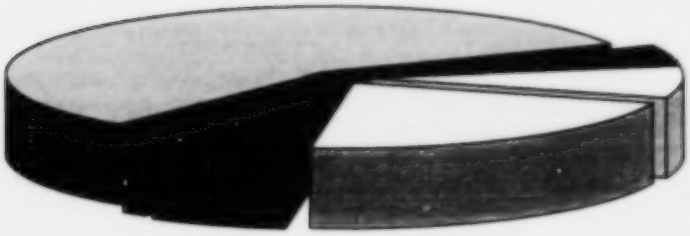
The key to a successful research program at any medical doctoral university is the ability to attract and retain quality graduate students. These students typically align themselves with academic staff who are conducting research in their area of interest, allowing for an inter-generational passing of knowledge as well as a strengthening of the knowledge base which is being created. Since 2000-2001, the number of graduate students at the University of Manitoba has increased by about 25%, with 60% of this increase (or 15%) occurring over the past two fiscal years.

To meet the challenges of accommodating growing numbers of students - both in terms of delivery of services and in space, technology and infrastructure, the University has had to be creative and look for other opportunities to improve its service delivery and facilities to attract and retain students. These challenges are being met both through the resource allocation process each year, through private fund raising and more recently through the issuance of debt described earlier in this report.

As part of the resource allocation process, faculties, schools and support units all engage in strategic planning, developing three year plans that identify their priorities as well as how they plan to meet those priorities in the absence of increased levels of funding. To make funds available for strategic realignment, a Strategic Initiatives Process was created a number of years ago. Salary savings resulting from academic staff vacancies are pulled back centrally for reallocation by the Vice-President (Academic) and Provost in consultation with the President. Any savings over and above what is required to fund a complete return of all academic positions is used to balance the operating budget and support the annual resource allocation process. In 2004-2005, $554,000 was used to balance the operating budget and $627,000 was reallocated through the Strategic Initiatives Process in support of institutional strategic priorities.

Although the *Building on Strengths* Capital Campaign came to an official close in the 2003-2004 fiscal year, Private Funding has continued to fund raise in support of the University's strategic institutional priorities. In 2004-2005 pledges of $30.6 million were received from our generous donors. The pie charts in **Table 4 and 4.1, Donor Pledges 2004-2005** provides a summary of the pledges received by type of donor and the purpose for which the donor made the gift. The continued success of the University of Manitoba's fund raising campaign is overwhelming evidence of the support for the University of Manitoba among its staff, students, alumni, the community and the Province.

Table 4
Donor Pledges by Constituency
2004-2005
(Total $30.6M)



- Alumni & Friends $17.5
- Students & Parents $1.4
- Foundations & Organizations $2.4
- Corporations $6.7
- Manitoba Scholarship Bursary Initiative $2.2
- Staff $0.4

Table 4.1
Donor Pledges by Type of Gift
2004-2005
(Total $30.6M)

- Faculty/School/College/Support $14.1
- Chairs/Professorships $1.0
- Unrestricted and Other Gifts $1.3
- Student Support $5.1
- Libraries/Galleries/Museums $1.0
- Gifts in Kind $0.5
- Research $0.7
- Capital Funds $6.9

Access to education is facilitated with a strong scholarship, bursary and loan program so that students requiring financial assistance for their education have access to sources of funding for their tuition and living expenses. In this regard, students directly benefit from the success of fund raising; as of March 31, 2005, the market value of trust and endowments that are earmarked for scholarships, bursaries and loans was approximately $75 million. Endowments for student support will continue to build, providing sustained sources of funding for increased scholarships and bursaries. Donor pledges of $3.2 million will be received in future years and will continue to grow these student endowments. In 2004-2005 scholarships and bursaries totaling $7.9 million (2003-2004, $7.2 million) were paid to students to help defray the cost of their education. In addition, the University of Manitoba is committed to employing its students and in 2004, employed 3,397 students on a part-time basis, paying out about $10.2 million in salaries. Not only does this help students pay for their courses and living expenses, but it also provides them with valuable work experience.

The Campaign's success will also facilitate the recruiting and retention of quality faculty and provide future operating support for faculties and schools. As of March 31, 2005, the market value of trust and endowments that are earmarked for chairs and professorships was approximately $18 million. Chair and professorship endowments will grow by a further $4.5 million over the next few years as pledges are collected from donors. The market value of trust and endowments that are earmarked for library endowments was about $6 million and will grow by $1.7 million as pledges are collected.

As of March 31, 2005, the market value of trust and endowments that are earmarked for faculty, school and college endowments as well as other priorities was approximately $78 million and will grow by $42.3 million as pledges are collected from donors over the next few years. For example, the new Faculty of the Environment officially began to take in students in the fall of 2003 and was renamed the Clayton H. Riddell Faculty of Environment, Earth, and Resources in 2004-2005 after a $10 million gift was pledged in support of the Faculty by Dr. Clay Riddell. This generous gift will ensure the long term success of the Faculty, its students, professors and researchers as the spending allocations it generates will be used to recruit and retain top quality faculty, provide grants to leverage funding from national granting agencies and establish scholarships for outstanding undergraduate and graduate students.

In total, the University of Manitoba's trust and endowment funds have grown to $247.6 million at March 31, 2005. This growth is attributable to the generosity of donors, a prudent spending policy and an active Trust Investment Committee which sets asset allocation guidelines, hires professional investment managers and monitors performance to ensure that long term investment and fund objectives are being achieved. Five of the twelve members of the Committee are from the external community, bringing expertise from various backgrounds, and three of the five are seasoned investment professionals. The University of Manitoba takes seriously its responsibility to donors to preserve the capital of its endowments for future generations, yet provide reasonable spending allocations annually in support of existing beneficiary units and students.

Over the years the University of Manitoba has demonstrated its commitment to increasing enrolments of Aboriginal students, both on campus and through its continuing education and distance education programs in northern Manitoba and northwestern Ontario. In fact, the University has strived to become the university of "first choice" for Aboriginal students. The Province, through COPSE, has for many years provided special funding for the Access Programs as part of its operating grant allocations. Several faculties and schools have been heavily involved in providing academic programs and training the Aboriginal leaders of the future. In addition, special service centres tailored to the needs of Aboriginal students have been established in faculties, schools and support units such as an Accessibility Office, the Aboriginal Student Centre, the Manitoba First Nations Education Resource Centre, the Aboriginal Inclusivity and Cultural Sensitivity Program, Aboriginal Wellness and the Social Work Mentorship Program, to name a few. Annually, the achievements of Aboriginal students are celebrated through a traditional graduation Powwow ceremony.

Through a voluntary self-declaration process at the point of registration, Aboriginal students are invited to declare their status. This has assisted faculties, schools and support units in developing services and programs for Aboriginal students which support student success. Through this self-declaration the University of Manitoba has been able to identify the participation of 1,605 self-declared students in 2004-2005 (1,401 in 2003-2004). This represents an overall undergraduate participation rate of at least 6.7% for fiscal 2004-2005. As not all eligible students self-declare, however, the actual participation of Aboriginal students is known to be higher than reported.

Table 5, Selected Statistics provides information on undergraduate and graduate student enrolments by session, self-declared Aboriginal students by faculty/school as well as undergraduate student credit hours by session, degrees, diplomas and certificates conferred on our graduates, the general operating grant, the grant in lieu of the tuition fee rebate, tuition fee income and scholarships and bursaries paid in each of the past five years.

Underlying these statistics are the success stories of many University of Manitoba students. In 2004-2005, the success of two Aboriginal students in the Asper School of Business and the Faculty of Engineering was celebrated after they received National Aboriginal Achievement Awards for their involvement in the Aboriginal community, volunteer work with a crisis help line and as a missionary as well as outstanding performance in their fields of study. The University of Manitoba produced two Rhodes Scholars, one in Engineering and the other, a graduate from the Faculty of Arts enrolled at Dalhousie University, bringing our number up to 28 since 1965. The University of Manitoba ranks fourth in Canada and first in Western Canada for the number of Rhodes Scholarships awarded since 1965. Two University of Manitoba Law students won the Sopinka Cup, a national prize for moot court competition. This award has been in place for five years and University of Manitoba Law students have won it twice. Pass rates of University of Manitoba students in the Asper School of Business, Medicine and Pharmacy in various post graduate professional examinations have ranged from 90% to 100% on their first attempt. These successes attest to the University's success at providing access to an exceptional education to its students.

Table 5
Selected Statistics

	2004-2005	2003-2004	2002-2003	2001-2002	2000-2001
Regular Session Enrolment					
Total Students[1,2]	27,631	26,572	24,981	23,618	21,978
•Undergraduate students	23,935	23,032	21,724	20,534	19,000
% Annual Change	3.9	6.0	5.8	8.1	4.7
Full-Time	17,633	16,885	15,879	15,376	14,404
Part-Time	6,302	6,147	5,845	5,158	4,596
•Graduate students	3,260	3,112	2,852	2,693	2,593
% Annual Change	4.8	9.1	5.9	3.9	0.1
Full-Time	2,335	2,240	1,996	1,884	1,822
Part-Time	925	872	856	809	771
•Post-Graduate Medical Education Students	436	428	405	391	385
Summer Session Enrolment	10,328	9,951	9,493	9,009	8,221
% Annual Change	3.8	4.8	5.4	9.6	4.9
Full-Time Equivalent Students[1,3]	25,420	24,402	22,907	21,930	20,493
% Annual Change	4.2	6.5	4.5	7.0	3.7
International Students	2,304	1,718	1,232	974	826
Self-Declared Canadian Aboriginal Students[4]	1,605	1,401	929	794	513
Agricultural & Food Sciences	8	7	-	-	-
Architecture	6	7	-	-	-
Art, School of	16	12	-	-	-
Arts	194	199	-	-	-
Business, Asper School of	34	38	-	-	-
Continuing Education	215	194	-	-	-
Education	87	68	-	-	-
Engineering	58	59	-	-	-
Environment, Earth, and Resources	12	9	-	-	-
Graduate Studies	42	23	-	-	-
Human Ecology	12	5	-	-	-
Law	22	20	-	-	-
Medicine	15	14	-	-	-
Nursing	162	141	-	-	-
Pharmacy	9	8	-	-	-
Physical Education & Recreation Studies	20	15	-	-	-
Science	98	86	-	-	-
Social Work	222	197	-	-	-
University 1	362	292	-	-	-
Others[5]	11	7	-	-	-
Undergraduate Student Credit Hours					
Regular Session	530,055	509,551	482,938	462,791	432,554
Summer Session	63,626	62,048	58,369	53,042	46,112
Degrees, Diplomas, Certificates Conferred					
Undergraduate	4,009	3,730	3,643	3,538	3,348
Graduate	625	555	556	559	541
General Operating Grant (000's)	$202,411	$198,248	$191,003	$187,425	$172,530
Grant in Lieu of Tuition Fee Rebate (000's)	$8,005	$7,721	$7,208	$6,829	$6,285
Tuition Income (000's)	$88,120	$83,517	$79,126	$73,713	$67,804
Scholarships & Bursaries (000's)	$7,929	$7,198	$7,621	$7,946	$6,987

1. As at November 1st.
2. Includes B.Sc.(Dentistry), B.Sc.(Medicine) and Joint Master's Program students.
3. Full-Time Equivalent Students = Full-time + (Part-time / 3.5). Includes both summer and regular session.
4. Aboriginal identity is self-declared on the Admission form. Because the self-declaration is voluntary, and because only a limited number of admission cycles have been completed, the numbers reported would be less than the total population of Canadian Aboriginal students on campus. 2003-2004 data has been restated based on increased efforts to improve on the collection of declaration data. Data for years prior to 2003-2004 are incomplete, and therefore faculty breakdowns are not comparable.
5. Operating Grant excludes first claims and grant in lieu of tuition; the latter included in Tuition Income.

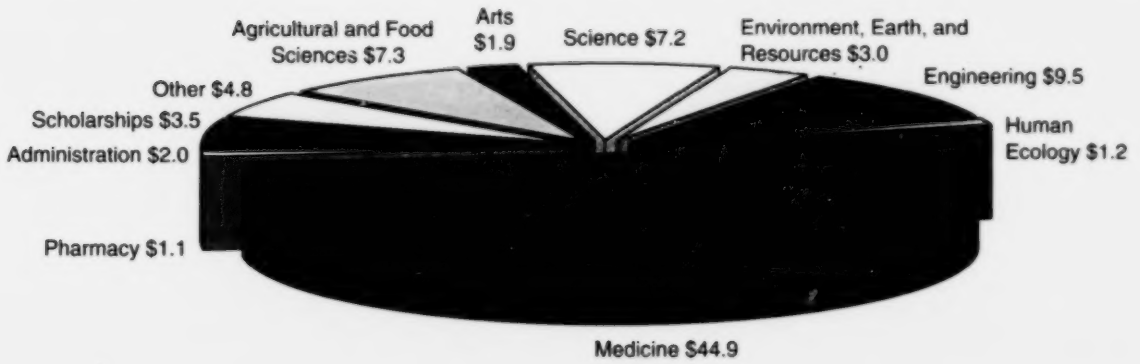
Building for a Bright Future

Be a Centre for Research and Graduate Education that Makes a Difference to Our Province, Our Nation and Our World

Over the past number of years, research activity has grown significantly. In fiscal 2004-2005, $91.1 million in sponsored or assisted research support was received through research grants or contracts from the Federal and Provincial Governments as well as from various foundations, business, industry and individuals. This represents a further 9.1% increase in research funding over the previous year (2003-2004, $83.5 million). Over the past five years, sponsored or assisted research has increased by 51.8% from a level of $60 million in 2000-2001. The University is currently home to thirty-three Canada Research Chairs, is an active participant in sixteen of the Federal Government's twenty-one Networks of Centres of Excellence program, and serves as the headquarters of the ISIS Canada (Intelligent Sensing for Innovative Structures) Network of Centres of Excellence. The University is also home to over twenty-five research centres and institutes that foster collaborative research in a wide variety of fields, ranging from aging and earth observation science to health policy and transportation.

The pie chart in **Table 6, Research Fund - Expenses by Faculty or Support Unit** is a pictorial representation of the level of research activity, as measured by the level of spending, in the Faculties and Schools in 2004-2005. The Faculty of Medicine engaged in the highest level of research at $44.9 million in 2004-2005, followed by the Faculty of Engineering at $9.5 million (including Intelligent Sensing for Innovative Structures), the Faculty of Agricultural and Food Sciences at $7.3 million and the Faculty of Science at $7.2 million. In total $86.4 million was spent on sponsored or assisted research activities at the University of Manitoba in 2004-2005.

Table 6
Research Fund
Expenses by Faculty or Support Unit
2004-2005
(Total $86.4M)



In 2004-2005, the University of Manitoba received joint funding from the Federal Government and industry partners for the creation of three NSERC (Science and Engineering Research Canada) Industrial Research Chairs. The Government invested $2.4 million over five years, along with a contribution of $2.4 million over five years from the industry partners to establish a Chair in Power Systems Simulation, a Chair in Alternative Energy and a Chair in Teletraffic Demand Forecasting and Performance Analysis of Wireless/Mobile Communication Systems. Industry partners include Manitoba Hydro, Teshmont Consultants, Manitoba HVDC Research Center, RTDS Technologies Inc., Bell Canada, Centara Corporation and James Schellenberg Inc.

The University of Manitoba has also been very successful in competitions for Canada Foundation for Innovation ("CFI") grant funding which is matched by contributions from the Manitoba Research Innovation Fund ("MRIF") and industry partners. Success in competition for these funds is essential to the University's ability to maintain a modern research infrastructure that is necessary to support a full range of important and innovative research programs. In 2004-2005, seventeen faculty members received awards totaling $4.2 million from the New Opportunities Fund, in comparison to nine recipients of this award in 2003-2004. The New Opportunities Fund provides infrastructure support to newly recruited faculty members and assists the University in attracting world-class faculty and researchers. In addition, CFI and MRIF funding provided support to the continuing development of several large-scale pieces of research infrastructure. An award was received for the Manitoba Regional Materials and Surface Characterization Facility to support research in areas ranging from aerospace and electronics to biotechnology in the amount of $7.5 million. The Manitoba Centre for Proteomics and Systems Biology, which serves as a research training site for Manitoba's biotechnology industry, also received an award of $7.4 million. Under the International Access Fund category, an award was made for the construction of a level 3 bio-containment research facility at the University of Nairobi in Kenya in the amount of $4.4

million. This award relates to ongoing research on HIV/AIDS conducted by Faculty of Medicine researchers in Kenya which has been funded by the Canadian International Development Agency for many years.

Funding from the CFI, MRIF and industry matching contributions, together with the corresponding expenditures, are reflected in the Capital Asset Fund. In 2004-2005 total contributions from these sources were $19.9 million. When combined with sponsored or assisted research funding of $91.1 million, University of Manitoba researchers received $111 million in funding in 2004-2005.

Building for a Bright Future

Provide the Human, Physical and Technological Infrastructure Necessary for Learning and Research

In fiscal 2004-2005, the University of Manitoba invested $92.5 million in capital assets as follows:

- $62.2 million for the construction of buildings, infrastructure repairs and improvements and the acquisition of land;
- $11.3 million for the acquisition of furniture, equipment and vehicles;
- $10.6 million for computer equipment and technological improvements such as building cabling and administrative system renewals; and
- $8.4 million for library acquisitions and works of art.

In addition, debt servicing costs of $9.9 million were paid, primarily relating to the Arthur V. Mauro Student Residence, the Fort Garry Parkade, the Helen Glass Centre for Nursing and the Energy Performance Program. At the request of UMSU, the loan on the Helen Glass Centre for Nursing was retired in 2004-2005.

The receipt of debt proceeds from the Province of $75 million, together with $15 million in commitments from the Manitoba Research Innovation Fund ("MRIF") and Western Economic Diversification ("WED") as well as $90 million raised through the *Building on Strengths* Capital Campaign, will continue to have a very positive effect on campus renewal over the next few years.

Construction on the Engineering and Information Technology Complex began in 2003-2004 and continued with an additional $24.3 million being spent on the new facility in 2004-2005. Phase 1 of this building is expected to be completed by the fall of 2005 and construction on Phase 2 will then begin for completion by the fall of 2006. This Complex will house the Faculty of Engineering and the Department of Computer Science and is being funded in part by COPSE Capital Campaign funding and private gifts. Debt proceeds received from the Province in March 2005 are being used to bridge finance the construction, as pledges are being received from contributors and donors over a period of years.

Other large capital building projects that were undertaken in 2004-2005 include an Underground Service System which provides the additional infrastructure necessary for further development of Smartpark and links underground services to the Richardson Centre for Functional Foods and Nutraceuticals ($2.7 million), an Environmental Safety Building which was required in order for the University to meet health and safety regulations ($2.8 million) and a facility on Selkirk Avenue which will house the University's inner city social work program and the University of Winnipeg's education program ($2.1 million). The Underground Services System and the Environmental Safety Building were funded entirely by debt proceeds; the Selkirk Avenue facility is being funded in part by a generous donation from the Winnipeg Foundation and in part from debt proceeds.

Work was completed on numerous building upgrade and renovation projects such as roof replacements at a cost of $1 million and building envelope and basement repairs at a cost of $1.1 million. In addition, $767,000 of asbestos abatement projects were undertaken. A further $1.7 million was spent on the chiller project on the Fort Garry campus, a project that has been ongoing for six years. These projects were all funded by a COPSE capital grant.

The University is also in the midst of a period of major administrative system renewal with human resource, finance and student information systems in various stages of implementation. There are also a number of smaller systems that link into these main systems that are being renewed including pension, research grant information, libraries and private funding/alumni development, to name a few. The new pension and libraries systems went live in 2004-2005 and the first part of the human resource system (semi-monthly payroll) went live just subsequent to fiscal year end. All of these systems need to be integrated as the projects move forward and a significant training effort will be undertaken to bring departmental users on line. The systems make use of WEB technology and once implemented, will greatly improve the financial and non-financial data required for campus wide decision making and improve the delivery of services to students and staff. Costs incurred in the current fiscal year relating to these systems implementations totalled $3.4 million.

Simultaneously, a University-wide cabling project is in process to bring the University's hard wiring and wireless technology up to date. In 2004-2005, $1.1 million was spent on upgrades in over twenty buildings, the largest being Basic Medical Sciences, Engineering III, Machray Hall and University Centre. Funding for the cabling project costs to date have been provided by a number of sources including allocations from the general operating budget, funding by COPSE for equipment and renovations and allocations of funding from the indirect costs of research program. Debt proceeds, as required, will also be used in the future to complete cabling in all of the buildings on both campuses.

Smartpark, the University's research and technology park, continued to build its community of innovators through further expansion in 2004-2005. Construction has taken place or is ongoing on three buildings, which includes the Richardson Centre for Functional Foods and Nutraceuticals and two single tenant buildings. Construction costs on the Richardson Centre totalled $10.5 million in 2004-2005 and it is expected to be complete in the fall of 2005. This building is a unique facility where researchers from different disciplines and their industry partners will work together to develop functional foods and nutraceuticals, based on scientific evidence for their efficacy and safety. This facility will contain the necessary research and pilot plant equipment to facilitate the development and standardization of these products and is being funded by the MRIF, WED and private gifts. Debt proceeds received from the Province are also being used to bridge finance the construction as pledges are received from contributors and donors over a period of years.

Innovation Magnetic Resonance Imaging Systems Incorporated ("IMRIS") took up tenancy in another new building during 2004-2005 and a building is under construction to house the Industrial Technology Centre ("ITC"), an agency of the Provincial Government as well as the Composites Innovation Centre. Construction of a third multi-tenant facility at 1 Research Road is also underway, which will house Monsanto as the anchor tenant.

The new single tenant facilities are currently being financed by a bank construction loan but when completed, it will be long term financed by debt proceeds received by the University from the Province. As with previous multi-tenant facilities, debt servicing is being funded through net revenues generated from long term leases with the tenants.

The University's total investment in Smartpark infrastructure and new buildings as of March 31, 2005 is $12.7 million, $5.6 million of which was funded by various grants from the Federal and Provincial governments. As a wholly owned subsidiary, the financial statements of Smartpark Development Corporation are consolidated with the University of Manitoba's financial statements.

These new capital building and infrastructure renewal projects demonstrate the University's commitment to providing a high quality learning and research environment that meets the needs of students, faculty, staff and the community.

The pie charts in **Table 7, Capital Fund Sources and Capital Fund Expenditures 2004-2005** depict the sources of funding for capital assets and provide a more detailed breakdown of the $92.5 million in capital asset expenditures and debt servicing costs of $9.9 million.

Table 7
Capital Fund Sources
2004-2005
(Total $169.1M)

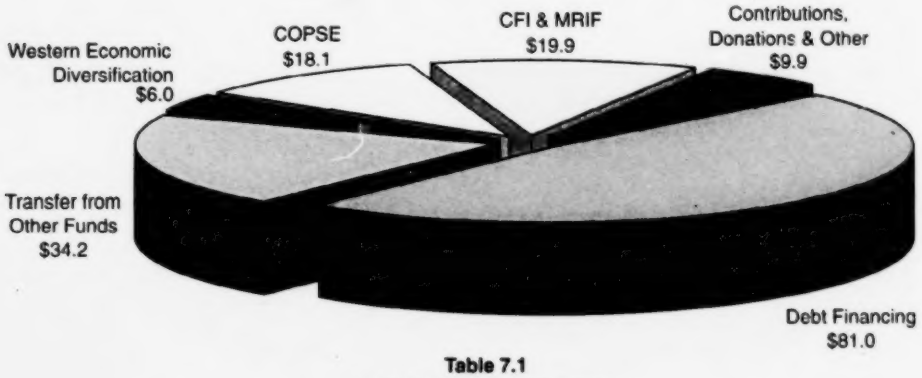
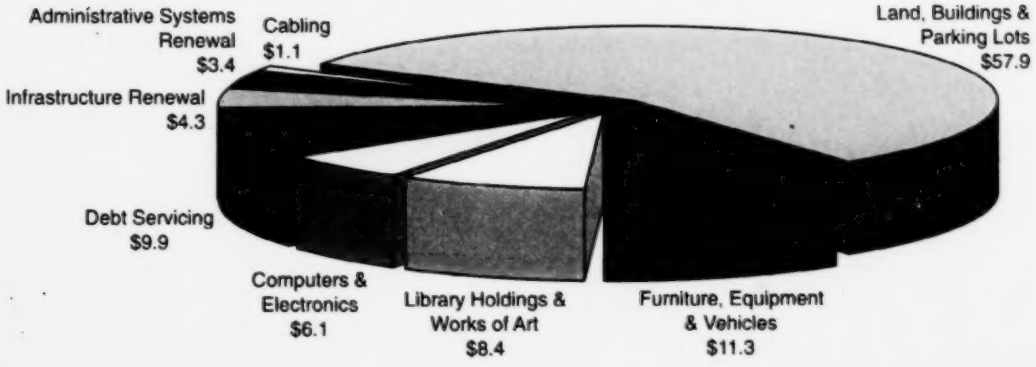


Table 7.1
Capital Fund Expenditures
2004-2005
(Total 102.4M)


Administrative Systems Renewal $3.4
Cabling $1.1
Land, Buildings & Parking Lots $57.9
Infrastructure Renewal $4.3
Debt Servicing $9.9
Computers & Electronics $6.1
Library Holdings & Works of Art $8.4
Furniture, Equipment & Vehicles $11.3

Building for a Bright Future
Be at the Centre of our Community: On Manitoba

In addition to providing a quality university education to students, the University of Manitoba reaches out to the community in many other ways, through continuing education opportunities for individuals and business, contract research and other collaborative efforts and through the provision of specialized services not readily available locally.

The University operates on two main campuses, Fort Garry and Bannatyne, with satellite teaching and research facilities at Glenlea Research Station, Carman and Delta Marsh as well as the University of Manitoba Downtown. The 2004-2005 construction of a new facility on Selkirk Avenue will also give the University of Manitoba another permanent presence in the inner city and will enable students enrolled in this Access program to acquire their education where they live and will likely eventually work. This building is expected to be complete and ready for occupancy in June 2005.

In addition, Social Work, Medicine and Dentistry all offer programs onsite and through distance education delivery techniques in northern communities. Medicine also offers extensive medical services in the north through the Northern Medical Unit, bringing health care to remote Aboriginal communities. The Northern Medical Unit is funded by Health Canada, Manitoba Health and various foundations and associations, $14 million of which was received in 2004-2005 and is reflected in the Special Fund component of the Research and Special Fund. The Special Fund also includes the Manitoba Centre for Health Policy, $1.9 million of which was received from Manitoba Health in 2004-2005. This Centre was created to do research on the health of Manitobans, examining patterns of illness in the population and how people use health care services. The Centre has been commissioned by the Province to provide six major health care studies annually for five years.

Smartpark was created to provide business and industry opportunities to work collaboratively with researchers at the University of Manitoba. Significant collaborations between University researchers and Smartpark tenants have begun in the Faculty of Engineering. In addition, a partnership between Smartpark and the Faculty of Music has also resulted in free jazz concerts being presented in Smartpark open to the University community and the general public.

The University of Manitoba's success in serving its mission in education, research and community service translates into major economic, social and cultural benefits for the people of Manitoba.

As stated in the University's Economic Impact Study Report, "The University is the major knowledge generator and research facility in the Province, providing human capital and research needed to support Manitoba's diverse economy. It has a major economic impact on the region through significant purchasing and procurement activities, by expanding human capital through education and training, and as a source of innovation which generates economic development. The University has a deep commitment to higher education and the broader community through its diverse program offerings and the relationships it has built with local business, government and community organizations."

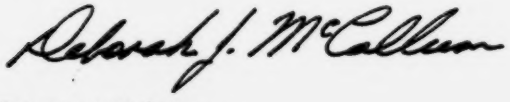
Conclusion

Since the release of the Strategic Academic Plan for the University of Manitoba: *Building for a Bright Future*, considerable progress has been made in achieving its five institutional priorities.

Increased investment in the University is the right choice for Manitoba and not only will result in sustaining the capacity of the University to support learning, innovation in research and community service but also ensure that Manitobans will prosper.

The University acknowledges with gratitude the continuing support of the Province and the Council on Post-Secondary Education as well as the support of our students, staff, alumni, and community stakeholders.

Respectfully submitted,



Deborah J. McCallum,
Vice-President (Administration),
University of Manitoba.

UNIVERSITY
OF MANITOBA

STATEMENT OF MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The University is responsible for the preparation of the consolidated financial statements and has prepared them in accordance with generally accepted accounting principles as set out by the Canadian Institute of Chartered Accountants (CICA). The University believes the consolidated financial statements present fairly the University's consolidated financial position as at March 31, 2005 and the results of its operations for the year then ended.

The University's Board of Governors is responsible for overseeing the business affairs of the University and also has the responsibility to approve the consolidated financial statements. The Board has delegated certain responsibilities to its Audit Committee including the responsibility for reviewing the annual consolidated financial statements and meeting with management and the Auditor General of Manitoba on matters relating to the financial reporting. The Auditor General has full access to the Audit Committee with or without the presence of management. The Board has approved the consolidated financial statements.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the University has developed and maintains a system of internal controls designed to provide reasonable assurance that University assets are safeguarded from loss and that accounting records are a reliable basis for the preparation of consolidated financial statements. The integrity of internal controls is reviewed on an ongoing basis by Audit Services and the Auditor General.

The consolidated financial statements for the year ended March 31, 2005 have been reported on by the Auditor General of Manitoba, the auditor appointed under the University of Manitoba Act. The Auditor's Report outlines the scope of his examination and provides his opinion on the fairness of presentation of the consolidated financial statements.

Deborah J. McCallum,
Vice-President (Administration).

May 27, 2005
Winnipeg, Manitoba

Office of the Auditor General

500 - 330 Portage Avenue
Winnipeg, Manitoba
CANADA R3C 0C4

AUDITOR'S REPORT

To the Lieutenant Governor in Council
To the Legislative Assembly of Manitoba
To the Board of Governors of the University of Manitoba

We have audited the consolidated statement of financial position of the University of Manitoba as at March 31, 2005 and the consolidated statements of operations and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the University as at March 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba
May 27, 2005

Jon W. Singleton, CA•CISA
Auditor General

CONSOLIDATED
FINANCIAL STATEMENTS

University of Manitoba
Consolidated Statement of Financial Position
as at March 31
(in thousands of dollars)

Assets	*2005*	*2004*
Current Assets		
Cash	$ 13,385	$ 10,202
Marketable Investments	157,733	99,975
Accounts Receivable (Note 3)	71,198	50,824
Inventories	3,168	3,669
Prepaid Expenses	151	154
	245,635	164,824
Long Term Assets		
Loan Receivable		200
Investments (Note 4)	263,504	244,687
Investment in Subsidiary Companies (Note 5)	93	93
Capital Assets, Net of Accumulated Amortization (Note 7)	471,558	409,374
	735,155	654,354
	$ 980,790	$ 819,178
Liabilities		
Current Liabilities		
Accounts Payable	$ 42,762	$ 30,264
Unearned Revenue	4,288	3,790
Staff Vacation Entitlements	9,109	8,300
Bank Loans	4,183	
Current Portion of Capital Lease Obligations (Note 8)	321	273
Current Portion of Long Term Debt (Note 9)	3,001	6,393
	63,664	49,020
Long Term Liabilities		
Capital Lease Obligations (Note 8)	402	283
Long Term Debt (Note 9)	104,321	31,925
Employee Future Benefits (Note 10)	51,877	50,090
	156,600	82,298
Fund Balances	760,526	687,860
	$ 980,790	$ 819,178

Commitments and Contingencies (Note 15)

Wayne R. Anderson - Chair

Terry Sargeant - Vice-Chair

(The accompanying Notes form an integral part of the Consolidated Financial Statements)

Consolidated Statement of Operations and Changes in Fund Balances for the years ended March 31 (in thousands of dollars)

	General Funds (Note 2e)	*Restricted Funds (Note 2f)*	*Endowment Fund (Note 2g)*	*2005 Total Funds*	*2004 Total Funds*
Revenue:					
Tuition and Related Fees	$ 88,120	$	$	$ 88,120	$ 83,517
Contributions, Donations, Non-Government Grants	879	60,896	10,688	72,463	62,186
Investment Income	2,353	9,628		11,981	11,638
Miscellaneous Income	1,097	1,389		2,486	1,544
Government Grants:					
Council on Post-Secondary Education	210,416	18,125		228,541	218,807
Other Province of Manitoba	2,811	26,084		28,895	21,472
Government of Canada	6,969	72,812		79,781	65,576
Sales of Goods and Services	20,367			20,367	20,228
Ancillary Services	29,021			29,021	27,871
	362,033	188,934	10,688	561,655	512,839
Expense:					
Academic	207,299	98,481		305,780	286,743
Libraries	13,506	103		13,609	13,083
Student Affairs	15,871	867		16,738	15,170
Administration	20,950	2,040		22,990	21,609
Plant Maintenance	29,845	(2)		29,843	28,762
Other Academic Support	17,156	815		17,971	16,866
General	5,585	5,679		11,264	7,160
Property Taxes	5,277			5,277	6,900
Scholarships, Bursaries, Prizes and Awards		7,929		7,929	7,198
Interest on Bank Loans, Long Term Debt, Capital Advances and Capital Lease Obligations		2,344		2,344	2,882
Amortization of Capital Assets		30,347		30,347	27,877
Ancillary Services	24,928			24,928	23,664
Staff Benefits Contra	(31)			(31)	312
	340,386	148,603		488,989	458,226
Net Revenue	21,647	40,331	10,688	72,666	54,613
Inter-Fund Transfers (Note 12)	(24,852)	22,620	2,232		
Net (Decrease) Increase to Fund Balances	(3,205)	62,951	12,920	72,666	54,613
Fund Balances Beginning of the Year	8,714	583,168	95,978	687,860	633,247
Fund Balances End of the Year	$ 5,509	$ 646,119	$ 108,898	$ 760,526	$ 687,860
Unrestricted Funds	$ (44,903)	$	$	$ (44,903)	$ (42,719)
Internally Restricted Funds	50,412	30,929		81,341	80,435
Externally Restricted Funds		178,970	108,898	287,868	269,318
Invested in Capital Assets		436,220		436,220	380,826
	$ 5,509	$ 646,119	$ 108,898	$ 760,526	$ 687,860

(The accompanying Notes form an integral part of the Consolidated Financial Statements)

Consolidated Statement of Operations and Changes in Fund Balances for the General Funds for the years ended March 31 (in thousands of dollars)

	General Operating Fund (Note 2e)	*Specific Provisions Fund (Note 2e)*	*Expenses Funded From Future Revenues (Note 2e)*	*2005 Total General Funds*	*2004 Total General Funds*
Revenue:					
Tuition and Related Fees	$ 88,120	$	$	$ 88,120	$ 83,517
Contributions, Donations, Non-Government Grants	879			879	936
Investment Income	2,353			2,353	2,897
Miscellaneous Income	1,097			1,097	1,481
Government Grants:					
Council on Post-Secondary Education	210,416			210,416	205,969
Other Province of Manitoba	2,811			2,811	1,895
Government of Canada	6,969			6,969	6,482
Sales of Goods and Services	20,367			20,367	20,228
Ancillary Services	29,021			29,021	27,871
	362,033			362,033	351,276
Expense:					
Academic	207,299			207,299	195,176
Libraries	13,506			13,506	13,027
Student Affairs	15,871			15,871	14,452
Administration	20,950			20,950	19,617
Plant Maintenance	29,845			29,845	28,712
Other Academic Support	17,156			17,156	16,361
General	5,585			5,585	4,489
Property Taxes	5,277			5,277	6,900
Ancillary Services	24,928			24,928	23,664
Staff Benefits Contra	(31)			(31)	312
	340,386			340,386	322,710
Net Revenue	21,647			21,647	28,566
Inter-Fund Transfers (Note 12)	(21,594)	(1,021)	(2,237)	(24,852)	(34,499)
Net Increase (Decrease) to Fund Balances	53	(1,021)	(2,237)	(3,205)	(5,933)
Fund Balances Beginning of the Year	1,800	51,433	(44,519)	8,714	14,647
Fund Balances End of the Year	$ 1,853	$ 50,412	$ (46,756)	$ 5,509	$ 8,714
Unrestricted Funds	$ 1,853	$	$ (46,756)	$ (44,903)	$ (42,719)
Internally Restricted Funds		50,412		50,412	51,064
Externally Restricted Funds					369
	$ 1,853	$ 50,412	$ (46,756)	$ 5,509	$ 8,714

(The accompanying Notes form an integral part of the Consolidated Financial Statements)

Consolidated Statement of Operations and Changes in Fund Balances for the Restricted Funds for the years ended March 31 (in thousands of dollars)

	Capital Asset Fund (Note 2f)	*Research and Special Fund (Note 2f)*	*Staff Benefits Fund (Note 2f)*	*Trust Fund (Note 2f)*	*2005 Total Restricted Funds*	*2004 Total Restricted Funds*
Revenue:						
Contributions, Donations, Non-Government Grants	$ 9,698	$ 39,730	$ 1,049	$ 10,419	$ 60,896	$ 51,344
Investment Income	235		1,416	7,977	9,628	8,741
Miscellaneous Income			1,293	96	1,389	63
Government Grants:						
Council on Post-Secondary Education	18,125				18,125	12,838
Other Province of Manitoba	9,256	16,828			26,084	19,577
Government of Canada	16,536	56,276			72,812	59,094
	53,850	112,834	3,758	18,492	188,934	151,657
Expense:						
Academic		98,481			98,481	91,567
Libraries		103			103	56
Student Affairs		867			867	718
Administration		2,040			2,040	1,992
Plant Maintenance		(2)			(2)	50
Other Academic Support		815			815	505
General		(4)	2,173	3,510	5,679	2,671
Scholarships, Bursaries, Prizes and Awards				7,929	7,929	7,198
Interest on Bank Loans, Long Term Debt, Capital Advances and Capital Lease Obligations	2,344				2,344	2,882
Amortization of Capital Assets	30,347				30,347	27,877
	32,691	102,300	2,173	11,439	148,603	135,516
Net Revenue	21,159	10,534	1,585	7,053	40,331	16,141
Inter-Fund Transfers (Note 12)	34,235	(5,106)	(1,686)	(4,823)	22,620	33,079
Net Increase (Decrease) to Fund Balances	55,394	5,428	(101)	2,230	62,951	49,220
Fund Balances Beginning of the Year	380,826	64,814	15,882	121,646	583,168	533,948
Fund Balances End of the Year	$ 436,220	$ 70,242	$ 15,781	$ 123,876	$ 646,119	$ 583,168
Internally Restricted Funds	$	$	$ 5,595	$ 25,334	$ 30,929	$ 29,371
Externally Restricted Funds		70,242	10,186	98,542	178,970	172,971
Invested in Capital Assets	436,220				436,220	380,826
	$ 436,220	$ 70,242	$ 15,781	$ 123,876	$ 646,119	$ 583,168

(The accompanying Notes form an integral part of the Consolidated Financial Statements)

Consolidated Statement of Cash Flows
as at March 31
(in thousands of dollars)

	General Funds	*Restricted Funds*	*Endowment Fund*	*2005 Total Funds*	*2004 Total Funds*
Cash from Operating Activities:					
Excess of Revenue over Expense	$ 21,647	$ 40,331	$ 10,688	$ 72,666	$ 54,613
Amortization of Capital Assets		30,347		30,347	27,877
	21,647	70,678	10,688	103,013	82,490
Net Change in Non-Cash Working Capital Items	3,575	(9,640)		(6,065)	7,521
Net Change in Employee Future Benefits	1,428	359		1,787	(946)
Net Cash Generated through Operating Activities	26,650	61,397	10,688	98,735	89,065
Investing Activities:					
Increase in Long Term Investments		(5,897)	(12,920)	(18,817)	(14,940)
Change in Loan Receivable	200			200	(200)
Purchase of Capital Assets		(92,531)		(92,531)	(83,715)
Net Cash Generated (Used) in Investing Activities	200	(98,428)	(12,920)	(111,148)	(98,855)
Financing Activities:					
Proceeds from Capital Lease Obligations		555		555	232
Proceeds from Long Term Debt		76,150		76,150	22,564
Proceeds from Bank Loans		4,326		4,326	
Principal Repayment on Capital Lease Obligations		(388)		(388)	(353)
Principal Repayment on Bank Loans		(143)		(143)	
Principal Repayment on Long Term Debt		(7,146)		(7,146)	(983)
Net Cash Generated in Financing Activities		73,354		73,354	21,460
Net Increase (Decrease) in Cash	26,850	36,323	(2,232)	60,941	11,670
Inter-Fund Adjustments	(24,852)	22,620	2,232		
Cash Beginning of Year	48,958	61,219		110,177	98,507
Cash End of Year	$ 50,956	$ 120,162	$	$ 171,118	$ 110,177
Cash is defined as:					
Cash	$ 5,597	$ 7,788	$	$ 13,385	$ 10,202
Marketable Investments	45,359	112,374		157,733	99,975
	$ 50,956	$ 120,162	$	$ 171,118	$ 110,177

(The accompanying Notes form an integral part of the Consolidated Financial Statements)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(in thousands of dollars)

1. AUTHORITY AND PURPOSE

The University of Manitoba was established in 1877. It is governed by a Board of Governors acting under the authority of The University of Manitoba Act, R.S.M. 1987, c. U60. The University of Manitoba is a registered charity and is exempt from income taxes under Section 149 of the Income Tax Act.

The University of Manitoba, as the largest and most comprehensive institution of higher learning in Manitoba, plays a distinctive role within the Province. In addition to offering an undergraduate liberal education in arts, science and education, the University of Manitoba provides programs in a broad range of professional studies, applied sciences and the fine and performing arts and is responsible for the vast majority of graduate education and research in Manitoba. The University of Manitoba reaches out to a variety of constituencies in order to enhance the health, cultural, social and economic life of Manitobans and to provide lifelong learning opportunities for them. Through community service the University makes its expertise available to all Manitobans.

2. SIGNIFICANT ACCOUNTING POLICIES

a. General

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles as recommended by the Canadian Institute of Chartered Accountants (" CICA") for not-for-profit organizations. The University has adopted the restricted fund method of accounting for contributions.

b. Basis of Consolidation

The consolidated financial statements include the accounts of Smart Park Development Corporation, a wholly owned subsidiary of the University of Manitoba. The company has a March 31 year end and its purpose is to market and promote the development of a research park at the University of Manitoba.

c. Fund Accounting

The University classifies resources used for various purposes into separate Funds which correspond to its major activities and objectives. The Consolidated Statement of Financial Position combines the assets and liabilities of all Funds.

The University maintains its Funds under three fund categories, General, Restricted and Endowment Funds. The General Funds include the Funds for General Operating, Specific Provisions and Expenses Funded from Future Revenues. The Restricted Funds include the Capital Asset, Research and Special, Staff Benefits and Trust Funds. The Endowment Fund includes endowment funds of the University.

d. Accounting Estimates

Accounting estimates are included in financial statements to approximate the effect of past revenue or expense transactions or events, or to approximate the present status of an asset or liability. Examples include accruals for property taxes not yet assessed and the estimated useful life of an asset. It is possible that changes in future conditions could require changes in the recognized amounts for accounting estimates.

e. General Funds

General Operating Fund:

The General Operating Fund includes the academic, administrative, operational and ancillary costs that are funded by tuition and related fees, government grants, investment and miscellaneous income, sales of goods and services to external parties and ancillary income. As such, this Fund reports unrestricted resources and restricted resources earmarked for general operating purposes.

All funds received or accrued by the University for general operating purposes and for equipment and renovation expenses not meeting the University' s capitalization criteria are included in the General Operating Fund. The net cost of operating units is determined by including internal cost allocations for certain centrally administered services such as the telephone system in the units' expenses and by deducting these expenses as internal cost recoveries from the total expenses incurred by the unit administering these services.

The University Book Store, Parking, Student Residences and Pharmacy/Post Office are classified as Ancillary Services and are budgeted on a break-even basis. Any surpluses or deficits are unrestricted and are maintained within the General Operating Fund. Overhead costs have been allocated to all ancillary operations. The replacement or improvement of capital assets for these ancillaries is funded by an annual appropriation to the Specific Provisions Fund. Amortization of ancillary capital assets and interest expense is recorded in the Capital Asset Fund.

Academic and administrative units also generate revenues through the sale of goods and services to individuals, companies and organizations external to the University. The revenues earned are unrestricted resources and are reflected in the General Operating Fund.

Specific Provisions Fund:
The Specific Provisions Fund records appropriations made from (to) the General Operating, Capital Asset and Research and Special Funds.

These appropriations are made to provide future funding for the replacement, improvement or emergency maintenance of capital assets, or other matters, including a fiscal stabilization provision to offset potential spending in excess of future budgets. Such appropriations are shown as inter-fund transfers on the Consolidated Statement of Operations and Changes in Fund Balances.

Expenses Funded From Future Revenues:
Expenses Funded from Future Revenues records the amount of unpaid vacation pay for permanent non-academic staff which will be funded from future revenues. It also records the actuarially determined expense for employee future benefits.

f. Restricted Funds
Capital Asset Fund:
The Capital Asset Fund consists of restricted contributions resulting from capital asset co-funding arrangements with external parties, contributed capital assets, sinking fund investment income and government grants, restricted for the purpose of acquiring capital assets and retiring capital advances. Expenses include interest on debt relating to the acquisition or construction of capital assets, amortization and gains or losses on disposal of capital assets, including write downs resulting from obsolescence.

Research and Special Fund:
The Research and Special Fund consists of contributions specifically restricted for research or other special activities. Contributions are provided from both federal and provincial granting agencies and other public and private sources. These funds are spent in accordance with the conditions stipulated in the governing contracts and agreements.

Staff Benefits Fund:
The Staff Benefits Fund is divided into Fund Accounts for Pension Reserve, Self-Insured Plans and Benefit Reserve, the revenues of which are restricted for the purposes noted.

(i) Pension Reserve:
This Fund Account is restricted for special payments towards any unfunded liability of The University of Manitoba Pension Plans (1970) and (1993) and other pension obligations.

(ii) Self-Insured Plans:
This Fund Account records the assets and liabilities for two self-insured benefit plans, the Long Term Disability Income Plan and the Dental Plan. The Long Term Disability Income Plan is used for long term disability payments arising on and after June 1, 1981 for eligible staff. The Plan contains two funds, one for the payment of Basic Benefits and another for the payment of Cost-of-Living Benefits. The Dental Plan is administered by a contracted third party. Surplus funds are held for the purpose of covering deficits which may occur in this self-insured plan.

(iii) Benefit Reserve:
This Fund Account is used for the support of current and future staff benefit programs. Experience refunds related to the group insurance plans are credited to this Fund Account. Employment Insurance premium savings resulting from the extended sick leave coverage provided by the University are also credited to this Fund Account.

Trust Fund:
The Trust Fund records gifts and bequests received which may be used in their entirety along with net investment income earned on these funds, according to donor restrictions. The majority of these funds are used for scholarships, bursaries, awards, loans, and other scholarly activities.

g. Endowment Fund
The Endowment Fund records gifts and bequests received with the stipulation that these funds be invested in perpetuity and the income earned be utilized for designated purposes. In certain cases, the donor requires that a portion of the current investment income also be capitalized. As such, these funds are added to the capital account of the endowment.

h. Revenue Recognition

Restricted contributions relating to general operations are recognized as revenue of the General Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted Fund when received or receivable.

Unrestricted contributions, including sales of goods and services and ancillary revenues, are recognized as revenue of the General Operating Fund in the year received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Investment income earned on temporary surplus funds, with the exception of trust and endowment funds, is recorded as unrestricted income in the General Operating Fund.

Contributions for endowment purposes are recognized as revenue in the Endowment Fund in the year received. Investment income earned on endowments is recorded in the appropriate Fund depending on the restrictions imposed by the original donor.

i. Contributed Materials and Services

Gifts-in-kind for materials other than capital assets are recorded in the consolidated financial statements to the extent that they are eligible for an official donation receipt, since this results in the capture of the information in the University's financial records.

Because of the difficulty involved in tracking and recording contributed services, however, the market value of these services are not recognized in the consolidated financial statements. Contributed services include activities such as membership on the University's Board of Governors and its various committees, lecturing services and volunteer services at fund raising or sporting events all of which are performed by staff, students and the community at no charge to the University. These services, although not recognized in the consolidated financial statements, are critical to the successful functioning of the University.

j. Investments

All investments are recorded at cost. All investment income is recorded on an accrual basis. Realized gains on sales of investments are recognized in the year of disposal. Losses are recognized in the year of disposal or when there is a loss in value of the investment that is deemed to be other than temporary.

Temporary surplus cash is invested in the short term money market.

Trust and endowment funds are invested in either the University Investment Trust ("UIT") or the Specific Trusts. The UIT is pooled for investment purposes. Within the UIT individual capital accounts are unitized, in order to improve the protection of the real value of capital balances against inflation and to facilitate the equitable distribution of income based on the number of units. A new market value per unit is determined monthly. Capital contributions and withdrawals are based on the current market value per unit. Trust and endowment funds held in the UIT are invested in fixed income securities and in the equity markets. These investments are professionally managed and held in the custody of an independent company. The Specific Trust funds are not pooled, but are invested individually in fixed income securities.

Staff benefits funds are invested in pooled funds in the fixed income securities and equity markets. These investments are professionally managed and held in the custody of an independent company.

k. Pledges Receivable

The University does not record pledges receivable in its consolidated financial statements. Revenue from gifts, bequests and donations is recognized on a cash basis because of the uncertainty surrounding collection and in some instances because of the difficulty in determining the valuation of pledges receivable. The University recognizes gifts and donations to be received through the University of Manitoba Foundation U.S.A. Inc. only when the Board of Directors of the Foundation have formalized the transfer with a resolution, collectibility is reasonably assured and the valuation of these gifts and donations can be reasonably determined.

l. Inventories

Inventories have been valued at the lower of cost and net realizable value.

m. Capital Assets

Purchased capital assets are recorded at cost. Capital assets which are constructed by the University are recorded as Construction in Progress until the capital asset is put into use. Contributed capital assets are recorded at market value at the date of contribution. Intangibles such as patents and copyrights are recorded at a nominal amount of one dollar in the year the patent or copyright is obtained.

Amortization is provided on a straight-line basis over the assets' estimated useful lives as follows:

Buildings and Major Renovations	15-50 years
Computer Hardware, Software and Electronics	5-10 years
Furniture and Equipment	10 years
Library Books	10 years
Parking Lots	20 years
Vehicles	5 years

Equipment acquired under a capital lease is amortized over the term of the lease. Works of art, treasures, rare books and manuscripts are not amortized. Capital assets acquired or constructed and put into use during the fiscal year are amortized at one-half of the applicable rate.

n. Collections

The University holds a number of collections which have been donated to its libraries, faculties and schools over the years. The library, faculty or school receiving the donation assumes responsibility for safeguarding and preserving the collection. The University seldom, if ever, disposes of its collections or of individual pieces in its collections and therefore does not have a formal policy with respect to the use of proceeds of disposal. However, the University abides by all restrictions placed by donors at the time a donation is received, which may include restrictions imposed relating to the sale of a collection or items contained therein.

The University's policy with regard to its collections is to fund maintenance expenses from the General Operating Fund, if monies are not available for such purposes in a Restricted Fund. The cost of maintenance is not tracked and is therefore not determinable.

o. Pension Costs

The cost of pension benefits earned by employees who are members of the University of Manitoba Pension Plan (1970) and the University of Manitoba Pension Plan (1993) is determined actuarially using the projected unit credit actuarial cost method and management's best estimate of expected plan investment performance, salary escalation and retirement ages of employees. Pension costs for The University of Manitoba GFT Pension Plan (1986) are based on the contributions required of the University by that Plan.

p. Financial Instruments

The financial instruments at the University consist of cash, short term investments, accounts receivable, long term investments, accounts payable and long term debt. Unless otherwise noted, it is management's opinion that the University is not exposed to significant interest, currency, market or credit risks arising from these financial instruments. The fair values of these instruments approximate their carrying values, unless otherwise disclosed.

q. Employee Future Benefits

The University accrues its obligations for employee future benefit plans relating to health, dental, long term disability and group life insurance. The cost of non-pension post-retirement and post-employment benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimates for the discount rate for liabilities, the expected rate of return on assets, retirement ages and expected future health care cost trends.

The University also accrues its obligations relating to post-retirement adjustments to pensions for specifically entitled employees who retired prior to 1993. The cost of such post-retirement pension adjustments is also determined using the projected benefit method and management's best estimate for the discount rate for liabilities and the expected rate of return on assets. Any increase in such adjustments is recognized in the year that it occurs.

The expected return on assets is based on the book value of assets supporting the long term disability income plan and the post-retirement adjustment fund.

Actuarial gains or losses are recognized in the year the gain or loss arises.

r. Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated at the year end exchange rate. Revenues and expenses are translated at exchange rates on the transaction dates. Gains or losses arising from these translations are included in earnings.

s. Interest Rate Swaps

An interest rate swap is a derivative financial contract between two parties who agree to exchange fixed rate interest payments for floating rate payments on a predetermined notional amount and term. From time to time, the University enters into interest swap agreements in order to manage the interest rate exposure associated with certain debt obligations. Because long term swap agreements effectively and completely hedge the underlying short term debt obligations, the University reflects the obligations as long term debt in the financial statements.

3. ACCOUNTS RECEIVABLE

	2005	2004
Council on Post-Secondary Education	$ 1,160	$ 1,346
General	39,950	23,700
Research and Special	30,088	25,778
	$ 71,198	$ 50,824

4. INVESTMENTS

The fair values and book values of investments as at March 31 are:

	2005 Fair Value	2005 Book Value	2004 Book Value
Trust & Endowment			
Bankers Acceptances, Guaranteed Investment Certificates and Cash	$ 18,975	$ 18,975	$ 16,953
Bonds and Other Fixed Income Securities:			
Government of Canada	25,525	24,957	20,895
Province of Manitoba	3,972	3,854	3,331
Other Provincial	6,336	5,906	5,558
Municipal	2,800	2,575	2,575
Corporate	22,621	21,695	22,572
Other	5,854	5,761	4,912
	67,108	64,748	59,843
Equities:			
Canadian Equities	74,168	54,467	52,602
US Equities	42,338	46,966	41,162
International Equities	45,036	46,264	42,361
	161,542	147,697	136,125
	247,625	231,420	212,921
Capital*			
Bankers Acceptances, Guaranteed Investment Certificates and Cash	104	103	6
Province of Manitoba Bonds	1,957	1,970	2,007
	2,061	2,073	2,013
Staff Benefits			
Money Market Funds and Cash	465	465	441
Bonds	11,065	10,302	9,905
Equities:			
Canadian Equities	8,375	6,001	6,350
US Equities	4,740	5,384	5,161
International Equities	4,941	4,835	4,999
	18,056	16,220	16,510
Mortgage Fund	3,159	3,024	2,897
	32,745	30,011	29,753
Total Investments	$ 282,431	$ 263,504	$ 244,687

**Represents Sinking Fund Assets on Deposit with the Province of Manitoba, which are held to retire the Capital Advances as described in Note 9.*

5. INVESTMENT IN SUBSIDIARY COMPANIES

University of Manitoba Research Ltd., incorporated under the Manitoba Corporations Act, is a wholly-owned subsidiary of the University. The company has a March 31 year end and was inactive during the 2004/05 fiscal year. The consolidated net income (loss) of University of Manitoba Research Ltd. is recorded in the Research and Special Fund in the Consolidated Statement of Operations and Changes in Fund Balances.

Small Business Law Clinic (MB) Inc. is a wholly-owned not-for-profit corporation without share capital. The purpose of the corporation is to operate a clinic, whereby students from the Faculty of Law may develop skills that are prerequisite to a successful solicitor-client relationship and in the process, assist community-based entrepreneurs and small business owners by dispensing legal information at a nominal cost. The company is exempt from income taxes under Section 149 of the Income Tax Act.

6. ECONOMIC INTEREST IN RELATED ENTITIES

a. The University of Manitoba Foundation U.S.A. Inc.

The University has an economic interest in the University of Manitoba Foundation U.S.A. Inc. ("the Foundation") which is an Illinois Not-For-Profit Corporation incorporated in December 1989. The Foundation's purpose is exclusively charitable, literary, scientific and educational and its activities include the promotion, encouragement, aid and advancement of higher education, research and training in the Province of Manitoba, in Canada and elsewhere. The Foundation is exempt from U.S.A. Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code.

The Board of Directors of the Foundation is an independent board whose members direct and guide the Foundation's actions. Members on the Board include, among others, certain senior staff of the University of Manitoba. The University of Manitoba, however, is one of many universities eligible to receive aid from the Foundation. The University must make application to the Foundation's Board of Directors to request funds, which may or may not be granted. The University's economic interest therefore is beneficial, as gifts and donations which are solicited by the Foundation may be transferred to the University of Manitoba from time to time.

b. Biovar Life Support Inc.

The University has a 25% interest in Biovar Life Support Inc. ("Biovar") which is a profit-oriented company with a June 30 year end. The University accounts for its investment in Biovar utilizing the cost method as it does not have significant influence in the management and/or direction of the company.

7. CAPITAL ASSETS, NET OF ACCUMULATED AMORTIZATION

	2005		2004	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Assets Under Capital Lease	$ 3,320	$ 2,650	$ 3,450	$ 2,989
Buildings and Major Renovations	386,220	109,758	369,693	101,730
Computer Hardware, Software and Electronics	81,618	54,309	94,555	69,022
Construction in Progress	60,390		14,351	
Furniture and Equipment	121,560	70,017	118,273	69,517
Land	10,335		10,181	
Library Books	118,532	81,891	110,518	76,106
Parking Lots	2,668	336	2,112	217
Rare Books and Manuscripts	3,830		3,766	
Vehicles	5,676	4,781	5,650	4,514
Works of Art	1,151		920	
	795,300	323,742	733,469	324,095
Less Accumulated Amortization	323,742		324,095	
Net Book Value	$ 471,558		$ 409,374	

(In thousands of dollars)

8. CAPITAL LEASE OBLIGATIONS

Minimum lease payments which includes principal and interest under the capital lease obligations are as follows:

2006	$ 349
2007	230
2008	117
2009	71
Total Minimum Lease Payments	767
Less: Interest at 5.57%	(44)
	723
Less: Current Portion	(321)
	$ 402

9. LONG TERM DEBT

	2005	2004
Province of Manitoba:		
Promissory Note 5.23%, due March 1, 2035	$ 75,000	$
Capital Advances:		
5 7/8% due May 20, 2007	482	482
7 1/8% due July 27, 2008	706	706
6 7/8% due December 15, 2009	257	257
6 7/8% due March 31, 2011	555	555
	2,000	2,000
Term Loans:		
University Parkade, 6.51%, due July 30, 2004		3,470
University Parkade, Prime less .75%, due August 1, 2019		803
Helen Glass Centre for Nursing, 6.75%, due November 1, 2004		1,017
*Smartpark Multi Tenant Facility, 6.05% due October 31, 2012	1,435	1,464
*Smartpark Multi Tenant Facility, 5.95% due January 22, 2014	3,200	3,200
*Smartpark Multi Tenant Facility, 5.95% due January 22, 2014	1,150	
	5,785	9,954
Bankers Acceptances with Interest Rate Swaps:		
Arthur V. Mauro Student Residence, 5.92% due September 5, 2028	16,541	16,851
Energy Performance Program, 4.31%, due November 10, 2009	7,996	9,513
	24,537	26,364
	107,322	38,318
Less: Current Portion		
- Promissory Note	(1,061)	
- Term Loans	(31)	(4,569)
- Bankers Acceptances	(1,909)	(1,824)
	(3,001)	(6,393)
	$ 104,321	$ 31,925

**Represents debt of Smartpark Development Corporation.*

The University entered into an interest rate swap agreement whereby the University has fixed a swap rate of 5.92% on a 25 year loan for the Arthur V. Mauro Student Residence loan. The stamping fee is committed until September 1, 2013. Under the terms of the agreement, the University is required to make monthly principal and interest repayments similar to a conventional amortizing loan. The notional principal underlying this swap agreement amounted to $16,541 as at March 31, 2005 (2004, $16,851).

The University entered into an interest rate swap agreement whereby the University has fixed a swap rate of 4.31% on the Energy Performance Program loan. Under the terms of this agreement, the University is also required to make monthly principal and interest payments. The notional principal underlying this agreement amounted to $7,996 as at March 31, 2005 (2004, $9,513). The stamping fee is committed until November 10, 2005.

The University's exposure to interest rate risk is managed through the use of these swap agreements.

(In thousands of dollars)

Principal repayments on long term debt payable over the next five years are as follows:

	Promissory Note	Capital Advances	Term Loans	Bankers Acceptances	Total
2006	$ 1,061	$	$ 31	$ 1,909	$ 3,001
2007	1,118		33	2,001	3,152
2008	1,178	482	35	2,094	3,789
2009	1,241	706	37	2,195	4,179
2010	1,308	257	39	1,665	3,269
Thereafter	69,094	555	5,610	14,673	89,932
	$ 75,000	$ 2,000	$ 5,785	$ 24,537	$ 107,322

10. EMPLOYEE FUTURE BENEFITS

The University of Manitoba provides certain health, dental and group life benefits for its retired employees and long term disability benefits for current employees. Post-retirement pension benefits are also provided for specifically entitled retirees.

Health, dental and group life benefits are provided to employees who retired prior to July 1, 2004 on a non-contributory basis. The group life benefits are indexed post-retirement. For eligible employees retiring on or after July 1, 2004, no group life benefit is available, and employees share in the cost of the health and dental benefits.

The long term disability income benefit is provided on a contributory basis.

Post-retirement pension benefits are provided to specifically entitled employees who retired prior to 1993. The adjustments for a year are determined as the lesser of the amounts that can be provided by a weighted average percentage salary increase at the University, or the excess interest approach provided under the University of Manitoba Pension Plan (1993). One hundred percent of the adjustments are paid by the University (50% from the General Operating Fund and 50% from the Staff Benefits Fund).

The University measures the book value of assets and the accrued benefit obligations for the non-pension and post-retirement pension adjustments as of March 31. The most recent actuarial valuations were as of March 31, 2004 with the next valuations due as of March 31, 2007.

The Accrued Benefit Obligation for the non-pension benefit plans and the post-retirement adjustments are reported in the University's Consolidated Statement of Financial Position under Long Term Liabilities.

Information about the University's defined benefit plans as at March 31 is as follows:

	Non-Pension Benefit Plans		Post-Retirement Adjustments		Total	
	2005	2004	2005	2004	2005	2004
Benefit Cost	$ 4,619	$ 1,567	$ 560	$ 694	$ 5,179	$ 2,261
Accrued Benefit Obligation	45,410	43,359	6,467	6,731	51,877	50,090
Plan Assets	16,945	16,745	1,540	1,905	18,485	18,650
Employer Contribution	2,769	2,663	461	473	3,230	3,136
Employees' Contributions	947	905			947	905
Benefits Paid	3,716	3,568	922	946	4,638	4,514

Plan assets consist of:

	Non-Pension Benefit Plans		Post-Retirement Adjustments	
	2005	2004	2005	2004
Equities	46%	50%	5%	5%
Fixed Income	34%	30%	3%	4%
Other	11%	10%	1%	1%
Total	91%	90%	9%	10%

(In thousands of dollars)

Key Assumptions are:

	Non-Pension Benefit Plans		Post-Retirement Adjustments	
	2005	2004	2005	2004
Accrued benefit obligation at March 31:				
Discount rate	5.75%	6.25%	5.75%	6.25%
Benefit Cost for year ended March 31:				
Discount rate	5.75%	6.25%	5.75%	6.25%
Expected rate of return on assets	5.75%	6.25%	5.75%	6.25%
Health Care Cost Trend Rates at March 31:				
Initial rate	8.00%	8.00%		
Ultimate rate	5.00%	5.00%		
Year ultimate rate reached	2014	2014		
Dental Care Cost Trend Rates at March 31:				
Initial rate	6.00%	6.00%		
Ultimate rate	4.00%	4.00%		
Year ultimate rate reached	2009	2009		

11. INTER-FUND ADVANCES AND LOANS

Inter-Fund advances and loans at March 31 are as follows:

	2005	2004
General Operating Fund:		
Due to Trust	$ (153)	$ (662)
Due from Capital Asset	530	11,120
	$ 377	$ 10,458
Capital Asset Fund:		
Due to Operating	$ (530)	$ (11,120)
Trust Fund:		
Due from Operating	$ 153	$ 662

12. INTER-FUND TRANSFERS

Inter-Fund transfers at March 31 are as follows:

	General Operating	Specific Provisions	Expenses Funded From Future Revenues	Capital Asset	Research and Special	Staff Benefits	Trust Fund	Endowment Fund
Employee Future Benefits	$ 1,787	$	$ (1,428)	$	$	$ (359)	$	$
Net Change in Vacation Pay Liability	809		(809)					
Benefit Premiums Net of Employer Contributions for Staff Benefits	1,327					(1,327)		
Appropriations for Specific Provisions:								
Capital Asset Replacements & Improvements	(5,774)	5,774						
Fiscal Stabilization, Net	2,200	(2,200)						
Unit Carryovers, Special Projects & Initiatives	(2,038)	2,038						
Funding of Capital Asset Additions	(20,957)	(4,265)		29,086	(3,864)			
Long Term Debt Repayments	(4,094)			4,119	(25)			
Student Contributions to University Development Funds	(1,126)			89			383	654
Scholarships, Bursaries & Prizes	(867)	(192)					1,056	3
Other Net Transfers	(179)			958	(773)		(1,581)	1,575
Funding of *Building on Strengths* Campaign	500	(500)						
Overhead Recoveries	1,963				(1,963)			
Funding of General Operating Expenses	4,870	(1,484)		(32)			(3,354)	
Funding of Research Projects	(15)	(192)		15	1,519		(1,327)	
March 31, 2005	$ (21,594)	$ (1,021)	$ (2,237)	$ 34,235	$ (5,106)	$ (1,686)	$ (4,823)	$ 2,232
March 31, 2004	$ (28,469)	$ (1,828)	$ (4,202)	$ 39,120	$ (5,716)	$ 3,521	$ (3,846)	$ 1,420

13. CONTRIBUTED CAPITAL ASSETS

Contributions recognized in the Capital Asset Fund include contributed capital equipment and library books of $887 (2004, $1,132).

14. PENSION PLANS

The University of Manitoba administers the University of Manitoba Pension Plan (1970), The University of Manitoba GFT Pension Plan (1986) and The University of Manitoba Pension Plan (1993). These are trusteed pension plans. The Trustees are responsible for the custody of the Plans' assets and issuance of annual financial statements, which do not form part of the University's financial statements.

The University of Manitoba Pension Plan (1970) and University of Manitoba Pension Plan (1993) are both money purchase plans with a defined benefit minimum. The funding for the plans requires a matching contribution from the University and the employees. The surplus from the Plans and the matching contribution is adequate to fund the Plan and the current level of funding satisfies the requirements of the Manitoba Pensions Benefit Act.

The actuarial present value of accrued pension benefits has been determined using the projected unit credit actuarial cost method, and assumptions developed by reference to expected long-term market conditions. An actuarial valuation effective December 31, 2003 was completed in 2004 by Eckler Partners Ltd., a firm of consulting actuaries. The results of this valuation have been extrapolated by Eckler Partners Ltd. to December 31, 2004. As at December 31, 2004, the University of Manitoba Pension Plan (1970) and The University of Manitoba Pension Plan (1993) were in an actuarial surplus of $871 (2003, $833) and $7,994 (2003, $9,809), respectively. The University cannot access this surplus and as a result, no asset has been recorded.

The actuarial present value of benefits as at December 31 and the principal components of changes in actuarial present values during the year, were as follows:

	2004		2003	
	1993 Plan	1970 Plan	1993 Plan	1970 Plan
Actuarial present value of accrued pension benefits at beginning of year	$ 740,159	$ 16,356	$ 687,963	$ 14,788
Interest accrued on benefits	42,577	883	50,476	1,386
Benefits accrued	26,053	1,536	25,881	1,218
Benefits paid	(39,913)	(3,045)	(31,947)	(1,012)
Actuarial gain/loss	298		7,786	(24)
Actuarial present value of accrued pension benefits at end of year	$ 769,174	$ 15,730	$ 740,159	$ 16,356

The significant long-term assumptions used in the valuation of the accrued pension benefits were a rate of return on assets of 6.5% per annum, a general rate of salary increase of 3.0% for the first three years and 4.5% thereafter, and a 6% interest assumption as the basis for converting member accumulations into annuities. However, in preparing the extrapolation the investment return used for 2003 and 2004 was 9.31% and 5.66% respectively, being the rates of return for those years based on the actuarial asset values.

The actuarial value of net assets available for benefits, has been determined using a five year moving average fair value method. Under this method, the fair value is the underlying basis, but capital gains and losses are amortized over a five year period.

The fair and actuarial values of net assets available for benefits as at December 31 were as follows:

	2004		2003	
	1993 Plan	1970 Plan	1993 Plan	1970 Plan
Fair value of net assets available for benefits	$ 829,510	$ 17,719	$ 782,439	$ 17,933
Fair value changes not reflected in the actuarial value of net assets	(52,342)	(1,118)	(32,471)	(744)
Actuarial value of net assets available for benefits	$ 777,168	$ 16,601	$ 749,968	$ 17,189

The University recognized expenses equal to its contributions of $12,572 (2004, $11,849) for the 1970 Plan and for the 1993 Plan for the year ended March 31, 2005. Employee contributions matched the employer contributions.

The next full actuarial valuation of the Plans will be effective December 31, 2005 and will be completed in 2006.

The University of Manitoba GFT Pension Plan (1986) is a defined contribution pension plan, therefore, there is no requirement for an actuarial valuation of this Plan. The University's contributions to this Plan were $1,410 in 2005 (2004, $1,345).

15. COMMITMENTS AND CONTINGENCIES

The University of Manitoba is a member of the Canadian Universities Reciprocal Insurance Exchange (CURIE). CURIE pools the property damage and public liability insurance risks of its members. All members pay annual deposit premiums, which are actuarially determined and are subject to further assessment in the event members' premiums and reserves are insufficient to cover losses and expenses. No additional assessment was necessary for the current year.

Contractual commitments relating to construction in progress amount to $32,824 (2004, $5,403).

The University of Manitoba is named as a defendant in litigations where action has commenced or is anticipated. While the ultimate outcome of these proceedings cannot be predicted at this time, management and its legal counsel are of the opinion that the outcome will not have a material effect on the financial position of the University. No provision has been made in the financial statements in respect of these claims as of March 31, 2005.

SCHEDULES (UNAUDITED)

Schedule 1 **Tuition and Related Fees**

	Undergraduate	*Graduate*	*March 31, 2005*	*Undergraduate*	*Graduate*	*March 31, 2004*
Degree Programs						
Regular Session:						
Agricultural and Food Sciences	$ 1,174,660	$ 357,874	$ 1,532,534	$ 1,070,782	$ 347,598	$ 1,418,380
Architecture	1,354,549	508,350	1,862,899	1,284,915	526,382	1,811,297
Arts	14,431,691	761,151	15,192,842	13,365,302	723,626	14,088,928
Clayton H. Riddell Faculty of Environment, Earth, and Resources	1,781,385	308,349	2,089,734	1,617,249	281,139	1,898,388
Continuing Education Distance Programs	3,460,747		3,460,747	3,095,601		3,095,601
Dentistry	2,882,998	129,900	3,012,898	2,488,028	205,986	2,694,014
Education	2,144,247	418,988	2,563,235	2,020,043	364,558	2,384,601
Engineering	2,910,221	614,817	3,525,038	2,751,100	661,348	3,412,448
Graduate Studies		259,470	259,470		255,600	255,600
Human Ecology	1,416,165	89,338	1,505,503	1,196,313	87,255	1,283,568
I. H. Asper School of Business	5,754,977	532,585	6,287,562	5,531,729	539,770	6,071,499
Interdisciplinary		7,520	7,520		33,976	33,976
Law	1,465,619	18,867	1,484,486	1,269,026	7,402	1,276,428
Medicine	3,311,469	1,255,067	4,566,536	3,647,975	723,682	4,371,657
Music	631,866	46,447	678,313	488,831	34,963	523,794
Nursing	2,625,639	179,982	2,805,621	2,949,835	206,576	3,156,411
Pharmacy	854,419	34,093	888,512	779,985	42,397	822,382
Physical Education and Recreation Studies	1,151,651	41,377	1,193,028	1,066,820	48,623	1,115,443
School of Art	1,327,865		1,327,865	1,211,156		1,211,156
Science	14,056,348	525,386	14,581,734	13,130,970	579,217	13,710,187
Social Work	1,232,269	226,569	1,458,838	1,117,448	248,250	1,365,698
University 1	565,078		565,078	533,546		533,546
	64,533,863	6,316,130	70,849,993	60,616,654	5,918,348	66,535,002
Summer Session:						
Agricultural and Food Sciences	409	3,702	4,111		4,226	4,226
Architecture	43,346	5,640	48,986	26,754	12,343	39,097
Arts	1,935,774	9,532	1,945,306	1,764,068	13,471	1,777,539
Clayton H. Riddell Faculty of Environment, Earth, and Resources	190,512	376	190,888	284,542	2,296	286,838
Continuing Education Distance Programs	800,583		800,583	801,636		801,636
Dentistry	11,408	375	11,783	10,530		10,530
Education	193,642	8,999	202,641	153,012	11,761	164,773
Engineering	162,879	11,386	174,265	131,145	9,900	141,045
Human Ecology	151,025	1,880	152,905	162,616	1,187	163,803
I. H. Asper School of Business	921,893	26,071	947,964	822,263	13,910	836,173
Interdisciplinary		416	416			
Medicine	156,992	4,511	161,503	160,232	3,543	163,775
Music	19,901	2,256	22,157	26,722	376	27,098
Nursing	660,029	2,796	662,825	686,084	535	686,619
Pharmacy		540	540			
Physical Education and Recreation Studies	58,479		58,479	49,913		49,913
School of Art	147,422		147,422	124,875		124,875
Science	1,443,154	3,675	1,446,829	1,398,368	8,271	1,406,639
Social Work	348,262	6,767	355,029	259,187	6,621	265,808
	7,245,710	88,922	7,334,632	6,861,947	88,440	6,950,387
Miscellaneous Fees			1,852,728			1,606,227
Non-Degree Programs						
Continuing Education			5,179,688			5,381,879
Other Faculties			2,903,287			3,043,562
			$ 88,120,328			$ 83,517,057

Schedule 2 **Changes to Research and Special Fund** *(Page 1)*

	Balance March 31, 2004	*Revenue*	*Expense*	*Inter-Fund Transfers*	*Balance March 31, 2005*
Sponsored or Assisted Research:					
Government of Canada:					
Social Sciences and Humanities Research Council	$ 2,184,743	$ 4,238,865	$ 4,057,346	$ (12,500)	$ 2,353,762
Canadian Institutes of Health Research	9,486,797	20,174,574	18,609,055	(57,083)	10,995,233
Canadian Foundation for Innovation	492,295	385,194	262,203		615,286
Canadian International Development Agency	6,583,759	7,099,490	6,157,309	(262,413)	7,263,527
Miscellaneous	2,425,203	3,502,609	4,108,971	(65,037)	1,753,804
Networks of Centres of Excellence	52,339	3,200,000	3,217,049		35,290
Science and Engineering Research Canada	7,110,289	14,790,330	15,605,422	(42,500)	6,252,697
	28,335,425	53,391,062	52,017,355	(439,533)	29,269,599
Province of Manitoba:					
Agriculture	343,837	735,882	826,800	(15,194)	237,725
Health Research Initiative	4,253,561	939,002	763,651		4,428,912
Health Research Council	1,024,144	2,312,207	2,075,871		1,260,480
Miscellaneous	1,563,798	2,806,590	2,707,674	(14,065)	1,648,649
	7,185,340	6,793,681	6,373,996	(29,259)	7,575,766
Business and Industry	4,223,883	2,825,342	3,833,581	125,826	3,341,470
Foundations, Associations, etc.	9,438,341	16,048,415	14,242,808	121,127	11,365,075
Individuals	805,354	209,270	469,485	275,778	820,917
Manitoba Heart Foundation	366,110	853,747	787,975		431,882
National Cancer Institute of Canada	380,988	894,799	1,008,151		267,636
Special Projects	1,600,280	862,592	563,804	(1,000)	1,898,068
United States	5,605,230	9,210,421	7,068,212	(940,152)	6,807,287
	22,420,186	30,904,586	27,974,016	(418,421)	24,932,335
Sub-Total	57,940,951	91,089,329	86,365,367	(887,213)	61,777,700

Schedule 2 **Changes to Research and Special Fund** *(Page 2)*

	Balance March 31, 2004	*Revenue*	*Expense*	*Inter-Fund Transfers*	*Balance March 31, 2005*
Special Funds:					
Government of Canada:					
Health Canada	$ 641,047	$ 2,458,826	$ 2,448,891	$ (131,855)	$ 519,127
Miscellaneous	227,973	426,509	449,186	(23,930)	181,366
	869,020	2,885,335	2,898,077	(155,785)	700,493
Province of Manitoba:					
Health	1,699,836	9,814,306	9,063,540		2,450,602
Miscellaneous	96,224	220,131	193,470	(5,447)	117,438
	1,796,060	10,034,437	9,257,010	(5,447)	2,568,040
Business and Industry	215,389	123,450	272,674	27,996	94,161
Foundations, Associations, etc.	1,884,080	6,087,329	4,644,911	(715,566)	2,610,932
Individuals	958,655	511,644	835,433	316,195	951,061
Special Projects	1,150,805	2,102,694	1,820,390	107,103	1,540,212
	4,208,929	8,825,117	7,573,408	(264,272)	5,196,366
Sub-Total	6,874,009	21,744,889	19,728,495	(425,504)	8,464,899
Total Research and Special Funds	64,814,960	112,834,218	106,093,862	(1,312,717)	70,242,599
Less Capitalized Items			(3,793,164)	(3,793,164)	
		$ 112,834,218	$ 102,300,698	$ (5,105,881)	
Balance End of Year	$ 64,814,960				$ 70,242,599

Schedule 3 **Changes to Capital Asset Fund**

	March 31, 2005	*March 31, 2004*
Revenue:		
Canada Foundation for Innovation	$ 10,594,541	$ 3,084,269
Contributions and Donations	9,698,913	6,722,530
Council on Post-Secondary Education	18,124,500	12,837,871
Investment Income	235,199	190,295
Manitoba Research Innovation Fund	9,256,328	4,215,563
Western Economic Diversification	5,941,303	1,027,630
	53,850,784	28,078,158
Expense:		
Amortization of Capital Assets	30,346,711	27,877,337
Interest on Bank Loans, Long Term Debt, Capital Advances and Capital Lease Obligations	2,344,378	2,882,268
	32,691,089	30,759,605
Inter-Fund Transfers	34,235,089	39,119,558
Net Change in the Year	55,394,784	36,438,111
Balance Beginning of the Year	380,825,672	344,387,561
Balance End of the Year	$ 436,220,456	$ 380,825,672

Schedule 4 **Changes to Specific Provisions Fund**

	Balance March 31, 2004	*Additions*	*Deductions*	*Balance March 31, 2005*
Administrative Systems Renewal	$ 16,213,138	$ 726,323	$ 4,426,579	$ 12,512,882
Ancillary Furniture and Equipment Replacement	1,993,436	910,094	599,658	2,303,871
Building on Strengths Capital Campaign	500,000		500,000	
Campus Development Initiative		3,295,215	250,000	3,045,215
Computer Equipment Replacement	3,497,602	1,244,472	1,526,618	3,215,456
Fiscal Stabilization	7,056,062	1,800,000	4,000,000	4,856,062
Parking Lot Improvements	1,506,472	1,825,974	676,400	2,656,046
Physical Education Equipment Replacement	220,250	55,762	200,000	76,012
Special Funding Arrangements and Unit Carry Overs	18,146,241	2,831,059	1,722,151	19,255,149
Special Projects & Initiatives	1,664,542	416,508	301,886	1,779,164
Vehicle and Other Equipment Replacement	385,721	76,971		462,692
Workers' Compensation Self Insurance	250,000			250,000
		$ 13,182,378	$ 14,203,292	
Balance End of Year	$ 51,433,463			$ 50,412,549

Schedule 5 **Changes to Staff Benefits Fund**

	Pension Reserve	*Self-Insured Plans*	*Benefit Reserve*	*March 31, 2005*	*March 31, 2004*
Revenue:					
Investment Income	$ 273,605	$ 779,161	$ 363,168	$ 1,415,934	$ 1,285,195
Contributions		1,049,037		1,049,037	1,001,397
Experience Credits			1,292,768	1,292,768	33,135
	273,605	1,828,198	1,655,936	3,757,739	2,319,727
Expense:					
Experience Loss					137,638
Indemnity Payments	48,413	1,816,207		1,864,620	1,617,577
Management and Administrative Services Fees	25,596	262,113	20,363	308,072	311,415
	74,009	2,078,320	20,363	2,172,692	2,066,630
Net Revenue (Expense)	199,596	(250,122)	1,635,573	1,585,047	253,097
Inter-Fund Transfers	(260,368)	(38,461)	(1,387,315)	(1,686,144)	3,520,360
Balance Beginning of the Year	3,947,554	6,378,490	5,555,633	15,881,677	12,108,220
Balance End of the Year	$ 3,886,782	$ 6,089,907	$ 5,803,891	$ 15,780,580	$ 15,881,677

Schedule 6 **Revenue and Expense, Ancillary Services**

	Bookstore, Pharmacy, Post Office	*Parking*	*Residences*	*March 31, 2005*	*March 31, 2004*
Revenue	$ 20,006,195	$ 4,636,465	$ 4,378,005	$ 29,020,665	$ 27,871,221
Expense:					
Salaries	2,501,136	491,875	1,450,350	4,443,361	4,062,677
Staff Benefits	379,909	82,783	222,689	685,381	573,511
Payroll Tax Levy	53,857	10,599	34,344	98,800	90,365
Cost of Goods Sold	15,349,266			15,349,266	14,641,980
Equipment, Alterations, etc.	112,433	164,850	209,184	486,467	533,659
Utilities	42,150	264,637	853,300	1,160,087	1,013,789
Supplies and Expense	650,530	1,538,391	515,219	2,704,140	2,748,466
	19,089,281	2,553,135	3,285,086	24,927,502	23,664,447
Net Revenue	916,914	2,083,330	1,092,919	4,093,163	4,206,774
Inter-Fund Transfers	(916,914)	(2,083,330)	(1,092,919)	(4,093,163)	(4,201,269)
Net Income 2005	$	$	$	$	
Net Income 2004	$	$ 4,895	$ 610		$ 5,505

Schedule 7 **Net Operating Expenditures** *(Page 1)*

	Salaries and Wages				
	Academic	*Other Instruction*	*Support*	*Staff Benefits*	*Payroll Tax Levy*
Academic Faculties, Colleges & Units					
Agricultural and Food Sciences	$ 6,193,023	$ 427,470	$ 3,130,801	$ 1,421,041	$ 207,916
Architecture	3,017,198	158,271	776,530	547,788	85,238
Arts	20,269,410	833,041	3,011,220	3,227,329	519,568
Clayton H. Riddell Faculty of Environment, Earth, and Resources	3,564,159	140,720	1,117,678	641,680	101,921
Colleges	490,631	1,424	529,560	153,114	22,859
Continuing Education	4,936,291	945,434	3,099,385	1,174,616	194,640
Dentistry	5,147,636	118,906	3,451,222	1,207,037	188,532
Education	4,354,151	393,815	1,143,530	767,064	127,067
Engineering	6,413,023	724,750	2,331,434	1,257,044	202,265
Graduate Studies	122,115	2,505,152	461,761	87,952	12,276
Human Ecology	1,878,075	116,456	472,249	348,934	53,503
Law	2,458,042	73,050	476,930	376,599	64,826
I. H. Asper School of Business	6,230,559	464,316	1,673,203	1,066,212	178,720
Medicine	17,776,123	1,166,111	5,469,162	3,702,516	530,753
Music	2,098,768	163,468	315,594	334,516	55,340
Nursing	3,266,146	2,258,045	1,124,128	989,111	145,474
Pharmacy	1,566,722	32,048	353,344	290,103	41,899
Physical Education and Recreation Studies	1,717,908	74,796	291,519	284,061	46,038
School of Art	1,676,341	6,730	295,094	274,551	42,789
Science	15,110,849	1,349,606	3,503,266	2,632,376	424,661
Social Work	3,319,133	83,567	803,535	576,551	90,733
University 1	185,150	23,432	488,966	98,198	14,550
	111,791,453	12,060,608	34,320,111	21,458,393	3,357,868
Less Capitalized Items					
	111,791,453	12,060,608	34,320,111	21,458,393	3,357,868
Libraries					
Agriculture Library	66,093		54,268	18,383	2,593
Architecture and Fine Arts Library	255,808		334,854	92,450	12,722
Dental Library					
Education Library	54,213		77,320	22,419	2,833
Elizabeth Dafoe Library	2,292,661	500	3,231,618	844,727	119,407
Engineering Library	83,943		102,505	29,237	4,015
Law Library	245,168		230,792	70,776	10,253
Management Library	193,674		197,175	54,615	8,418
Medical Library	902,782		1,048,933	308,496	42,040
Music Library					
Science Library	326,683		314,635	96,433	13,812
St. John's College Library	36,927		84,557	19,533	2,617
St. Paul's College Library	42,688		99,190	22,144	3,056
	4,500,640	500	5,775,847	1,579,213	221,766
Less: Capitalized Items					
Books & Periodicals Expensed					
	4,500,640	500	5,775,847	1,579,213	221,766

Supplies and Expenses	Equipment Alter.,Etc.	Gross Expenditure	Deduct Inter-Departmental Income	Total Expenditure March 31, 2005	Deduct Sales of Goods & Services	Net Expenditure March 31, 2005	Net Expenditure March 31, 2004
$ 1,098,538	$ 425,274	$ 12,904,063	$ 131,008	$ 12,773,055	$ 918,451	$ 11,854,604	$ 11,352,120
527,869	127,709	5,240,603		5,240,603	108,150	5,132,453	4,855,505
1,526,878	984,422	30,371,868		30,371,868	156,481	30,215,387	28,408,418
479,257	210,651	6,256,066	49,888	6,206,178	22,721	6,183,457	5,777,152
197,493	55,979	1,451,060	47,938	1,403,122	14,262	1,388,860	1,347,297
3,546,432	1,036,263	14,933,061	162,853	14,770,208	259,295	14,510,913	13,605,604
2,727,009	474,690	13,315,032		13,315,032	4,095,353	9,219,679	9,122,652
544,254	314,681	7,644,562	19,060	7,625,502	8,685	7,616,817	7,208,878
1,055,953	299,925	12,284,394	226,008	12,058,386	205,676	11,852,710	11,802,371
207,281	34,728	3,431,265		3,431,265	15,725	3,415,540	3,049,846
231,341	180,886	3,281,444		3,281,444	55,413	3,226,031	3,096,134
419,223	119,764	3,988,434	9,000	3,979,434	53,031	3,926,403	3,259,735
1,323,477	340,239	11,276,726	9,200	11,267,526	52,784	11,214,742	10,518,690
4,676,956	2,128,145	35,455,766	1,004,731	34,451,035	1,060,929	33,390,106	29,262,332
929,025	147,085	4,044,096		4,044,096	62,672	3,981,424	3,600,365
730,368	431,942	8,945,214	56,830	8,888,384	49,940	8,838,444	8,916,215
187,264	41,066	2,512,446		2,512,446		2,512,446	2,180,592
133,701	393,300	2,941,323		2,941,323	4,478	2,936,845	2,495,880
176,705	99,481	2,571,691	1,335	2,570,356	36,622	2,533,734	2,425,287
1,745,338	933,691	25,699,787	330,891	25,368,896	394,974	24,973,922	24,058,405
545,428	314,557	5,733,504	155,248	5,578,256	160,418	5,417,838	5,174,442
143,906	46,682	1,000,884	11,230	989,654	8,613	981,041	841,193
23,153,696	9,141,160	215,283,289	2,215,220	213,068,069	7,744,673	205,323,396	192,359,113
	(5,769,537)	(5,769,537)		(5,769,537)		(5,769,537)	(4,635,104)
23,153,696	3,371,623	209,513,752	2,215,220	207,298,532	7,744,673	199,553,859	187,724,009
46,465	519	188,321		188,321		188,321	193,819
111,834	16,805	824,473		824,473		824,473	760,352
1,422		1,422		1,422		1,422	1,698
77,690	1,038	235,513		235,513		235,513	227,668
6,005,803	445,191	12,939,907	6,325	12,933,582	493,025	12,440,557	12,858,696
220,582	361	440,643		440,643		440,643	494,126
712,165	898	1,270,052	709	1,269,343	4,635	1,264,708	1,267,514
163,384	2,274	619,540		619,540		619,540	612,763
945,948	39,125	3,287,324	329	3,286,995	88,573	3,198,422	3,108,721
27,121		27,121		27,121		27,121	32,193
427,190	4,487	1,183,240		1,183,240		1,183,240	1,160,457
41,813	313	185,760		185,760		185,760	182,573
71,894	2,321	241,293		241,293		241,293	216,647
8,853,311	513,332	21,444,609	7,363	21,437,246	586,233	20,851,013	21,117,227
	(285,507)	(285,507)		(285,507)		(285,507)	(478,147)
(7,645,486)		(7,645,486)		(7,645,486)		(7,645,486)	(8,291,911)
1,207,825	227,825	13,513,616	7,363	13,506,253	586,233	12,920,020	12,347,169

Schedule 7 **Net Operating Expenditures** *(Page 2)*

	Salaries and Wages				
	Academic	*Other Instruction*	*Support*	*Staff Benefits*	*Payroll Tax Levy*
Student Affairs					
Aboriginal Student Centre	$	$	$ 158,123	$ 23,851	$ 3,406
Alumni Association			64,505	8,726	1,389
Admissions Office			1,108,220	160,013	23,867
Chaplain's Office					
Convocation			76,533	13,393	1,649
Counseling Services	551,883	48,469	133,121	106,000	15,801
English Language Center	355,249	431,925	163,965	141,725	21,537
Financial Aid and Awards			223,734	29,172	4,816
Housing and Student Life			97,512	13,572	2,130
International Centre for Students			292,765	38,813	6,304
Parent's Programs					8
Playcare Centre			108,454	16,701	2,400
Recreation and Athletics	480,304	1,099,033	1,900,484	437,378	75,034
Special Programming	93,081	278,084	837,526	173,475	26,024
Student Records Office			997,870	154,711	21,492
U.M.S.U. Special Projects					
University Health Services			482,005	64,748	10,405
	1,480,517	1,857,511	6,644,817	1,382,278	216,262
Less Capitalized Items					
	1,480,517	1,857,511	6,644,817	1,382,278	216,262
Administration					
Accessibility		2,940	133,806	17,834	2,595
Audit Services			177,307	22,569	3,841
Financial Services			3,329,569	533,015	71,703
Government Relations			153,509	23,151	3,306
Human Resources			2,613,155	392,360	56,270
Institutional Analysis			428,107	64,543	9,223
International Liaison Office		2,505	127,691	22,314	2,762
Legal Services			218,421	27,807	4,706
Office Machine Services					
Ombudsman			66,783	11,070	1,439
President's Office	1,187,710	26,574	3,198,272	587,932	92,897
Private Funding & Annual Giving			1,032,413	167,960	23,251
Public Affairs			418,643	63,650	8,983
Staff Benefits Office			601,894	95,605	12,967
Treasury Services			152,971	21,269	3,295
University Centre Management			437,711	65,002	9,423
University Secretariat			340,038	42,190	7,320
Visitor's Centre			26,387	4,383	568
	1,187,710	32,019	13,456,677	2,162,654	314,549
Less Capitalized Items					
	1,187,710	32,019	13,456,677	2,162,654	314,549
Physical Maintenance					
Auto Fleet					
Insurance					
Physical Plant	804		13,216,755	2,207,806	284,600
Security			1,444,608	222,503	31,112
Utilities:					
Carman/Glenlea					
Fuel-Fort Garry					
Fuel-Medical and Dental					
Light, Power and Water					
Telephone			323,797	53,337	6,975
Vehicle Fleet					
Waste Management			40,544	6,664	873
Workers' Compensation					
	804		15,025,704	2,490,310	323,560
Less Capitalized Items					
	804		15,025,704	2,490,310	323,560

Supplies and Expenses	Equipment Alter.,Etc.	Gross Expenditure	Deduct Inter-Departmental Income	Total Expenditure March 31, 2005	Deduct Sales of Goods & Services	Net Expenditure March 31, 2005	Net Expenditure March 31, 2004
$ 80,566	$ 2,107	$ 268,053	$	$ 268,053	$	$ 268,053	$ 260,121
526,800		601,420		601,420		601,420	563,230
207,443	57,086	1,556,629		1,556,629		1,556,629	1,343,529
3,381		3,381		3,381		3,381	3,580
167,807	4,597	263,979		263,979		263,979	275,397
39,384	6,423	901,081		901,081	10,447	890,634	863,678
468,295	48,111	1,630,807	2,680	1,628,127	342,463	1,285,664	1,035,578
72,307	957	330,986		330,986		330,986	265,050
27,316	1,917	142,447		142,447	442	142,005	121,918
41,152	16,137	395,171		395,171	33,645	361,526	303,487
19,823		19,831		19,831		19,831	24,936
7,580	2,884	138,019		138,019	25,285	112,734	108,807
1,470,789	542,694	6,005,716	25,933	5,979,783	4,349,089	1,630,694	1,249,385
318,449	32,484	1,759,123	927	1,758,196	70,283	1,687,913	1,596,900
369,888	36,724	1,580,685	18,798	1,561,887		1,561,887	1,381,951
9,000		9,000		9,000		9,000	9,000
63,790	51,323	672,271		672,271	371,033	301,238	294,506
3,893,770	803,444	16,278,599	48,338	16,230,261	5,202,687	11,027,574	9,701,053
	(359,241)	(359,241)		(359,241)		(359,241)	(284,998)
3,893,770	444,203	15,919,358	48,338	15,871,020	5,202,687	10,668,333	9,416,055
21,874	2,967	182,016		182,016		182,016	166,734
35,952	6,279	245,948		245,948		245,948	293,807
208,378	118,049	4,260,714	56,313	4,204,401	67,031	4,137,370	3,723,909
24,924	899	205,789		205,789		205,789	64,249
827,708	105,303	3,994,796	412,716	3,582,080	1,180	3,580,900	3,473,339
23,839	1,949	527,661		527,661		527,661	491,866
111,544	2,160	268,976		268,976		268,976	244,112
437,269	2,699	690,902		690,902		690,902	595,347
			11,542	(11,542)		(11,542)	49,658
5,946	1,415	86,653		86,653		86,653	86,939
1,138,272	296,196	6,527,853	249,749	6,278,104	36,080	6,242,024	7,331,021
238,121	26,797	1,488,542		1,488,542		1,488,542	502,392
886,704	4,574	1,382,554	383,830	998,724	1,600	997,124	828,667
200,553	9,352	920,371		920,371	474,196	446,175	407,365
16,173	3,966	197,674		197,674		197,674	173,996
335,360	148,641	996,137		996,137	692,052	304,085	275,872
58,223	15,024	462,795		462,795		462,795	452,003
17		31,355		31,355		31,355	27,722
4,570,857	746,270	22,470,736	1,114,150	21,356,586	1,272,139	20,084,447	19,188,998
	(405,699)	(405,699)		(405,699)		(405,699)	(688,200)
4,570,857	340,571	22,065,037	1,114,150	20,950,887	1,272,139	19,678,748	18,500,798
							51,195
1,584,818	6,055	1,590,873		1,590,873		1,590,873	1,287,948
1,612,712	6,338,358	23,661,035	3,566,671	20,094,364	429,608	19,664,756	19,699,540
117,307	76,390	1,891,920	738,646	1,153,274		1,153,274	935,381
113,035		113,035		113,035		113,035	104,659
5,721,106		5,721,106	716,798	5,004,308	1,082,462	3,921,846	4,554,699
1,786,280	139,633	1,925,913	142,420	1,783,493	11,917	1,771,576	1,694,168
4,763,458		4,763,458	538,007	4,225,451	406,078	3,819,373	4,109,723
1,453,316	9,190	1,846,615	2,834,827	(988,212)	91,134	(1,079,346)	(1,063,547)
5,531	44,805	50,336	93,508	(43,172)	653	(43,825)	(18,068)
10,922	10,784	69,787		69,787	86,496	(16,709)	(16,395)
495,083		495,083		495,083	67,933	427,150	351,754
17,663,568	6,625,215	42,129,161	8,630,877	33,498,284	2,176,281	31,322,003	31,691,057
	(3,653,201)	(3,653,201)		(3,653,201)		(3,653,201)	(4,957,736)
17,663,568	2,972,014	38,475,960	8,630,877	29,845,083	2,176,281	27,668,802	26,733,321

Schedule 7 **Net Operating Expenditures** *(Page 3)*

	Salaries and Wages				
	Academic	*Other Instruction*	*Support*	*Staff Benefits*	*Payroll Tax Levy*
Other Academic Support					
Information Services and Technology	$	$	$ 7,754,102	$ 1,178,124	$ 166,898
Institutes, Centres and Specialized Academic Units	25,558	195,156	744,308	144,758	20,497
Research Development	9,753	145,289	134,857	22,433	4,412
Staff Development Program	20,000	5,871	4,904	933	232
	55,311	346,316	8,638,171	1,346,248	192,039
Less Capitalized Items					
	55,311	346,316	8,638,171	1,346,248	192,039
General Expenditure					
Audit Fees/Memberships					
Bad Debts					
Campus Beautification					
Campus Planning Group					
Cancopy License and Fees					
Change in Vacation Pay Liability					
Employee Assistance Plan					
Exchange and Bank Charges					
Executive Searches					
Handicapped Transport					
Miscellaneous					
Outreach Programs		4,009	2,317	433	115
R.G. and E.M. Knight Distinguished Visitors Program					
Retiring Allowances					
Rentals					
Shuttle Bus					
Supplementary Health and Dental				1,546,593	
Supplementary Pensions				922,234	
United Way					
Transfers to Other Institutions					
		4,009	2,317	2,469,260	115
Less Capitalized Items					
		4,009	2,317	2,469,260	115
Total of Operating Expenses	$ 119,016,435	$ 14,300,963	$ 83,863,644	$ 32,888,356	$ 4,626,159
Less Total Capitalized Items					
Total Operating Net of Capitalized Items	$ 119,016,435	$ 14,300,963	$ 83,863,644	$ 32,888,356	$ 4,626,159

Supplies and Expenses	Equipment Alter.,Etc.	Gross Expenditure	Deduct Inter-Departmental Income	Total Expenditure March 31, 2005	Deduct Sales of Goods & Services	Net Expenditure March 31, 2005	Net Expenditure March 31, 2004
$ 1,413,226	$ 5,374,535	$ 15,886,885	$ 617,483	$ 15,269,402	$ 252,097	$ 15,017,305	$ 14,570,967
1,073,827	62,024	2,266,128	179,984	2,086,144	1,079,395	1,006,749	829,194
1,331,269	197,876	1,845,889		1,845,889	1,587,226	258,663	(397,651)
231,224	13,026	276,190		276,190		276,190	255,786
4,049,546	5,647,461	20,275,092	797,467	19,477,625	2,918,718	16,558,907	15,258,296
	(2,321,872)	(2,321,872)		(2,321,872)		(2,321,872)	(2,375,310)
4,049,546	3,325,589	17,953,220	797,467	17,155,753	2,918,718	14,237,035	12,882,986
340,240		340,240		340,240		340,240	265,830
84,388		84,388		84,388		84,388	4,513
2,033		2,033		2,033		2,033	2,616
14,750		14,750		14,750		14,750	5,347
193,739	28,541	222,280		222,280		222,280	(9,062)
808,898		808,898		808,898		808,898	519,343
205,875		205,875		205,875		205,875	245,416
478,820	16,925	495,745		495,745		495,745	(145,893)
							95,177
690	2,276	2,966		2,966		2,966	1,849
144,658	74	144,732		144,732		144,732	151,078
14,697	2,616	24,187		24,187		24,187	20,617
30,369		30,369		30,369		30,369	4,854
					2,106	(2,106)	(2,398)
					2,485	(2,485)	(1,970)
209,626	64	209,690		209,690		209,690	188,874
		1,546,593		1,546,593		1,546,593	1,431,649
		922,234		922,234	461,893	460,341	483,132
5,453	61	5,514		5,514		5,514	6,236
537,113		537,113		537,113		537,113	734,354
3,071,349	50,557	5,597,607		5,597,607	466,484	5,131,123	4,001,562
	(12,849)	(12,849)		(12,849)		(12,849)	
3,071,349	37,708	5,584,758		5,584,758	466,484	5,118,274	4,001,562
$ 65,256,097	$ 23,527,439	$ 343,479,093	$ 12,813,415	$ 330,665,678	$ 20,367,215	$ 310,298,463	$ 293,317,306
(7,645,486)	(12,807,906)	(20,453,392)		(20,453,392)		(20,453,392)	(21,711,406)
$ 57,610,611	$ 10,719,533	$ 323,025,701	$ 12,813,415	$ 310,212,286	$ 20,367,215	$ 289,845,071	$ 271,605,900

Schedule 8 **Research & Special Fund Expenditures**

	Salaries and Wages				
	Academic	*Other Instruction*	*Support*	*Staff Benefits*	*Payroll Tax Levy*
Academic Faculties, Colleges & Units					
Agricultural and Food Sciences	$ 146,998	$ 2,887,801	$ 1,026,706	$ 280,143	$ 50,303
Architecture		45,284	1,910	3,182	907
Arts	92,782	776,914	198,936	76,842	16,896
Clayton H. Riddell Faculty of Environment, Earth, and Resources	58,041	767,105	81,554	28,394	5,595
Colleges		10,000	9,276	1,294	200
Continuing Education	84,760	14,978	225,863	30,952	4,857
Dentistry	88,403	105,326	58,382	11,955	1,826
Education	4,923	95,887	91,712	17,430	4,178
Engineering	705,733	3,142,566	518,166	181,638	34,279
Graduate Studies		2,882,873			
Human Ecology	47,097	359,297	134,220	46,877	7,366
Law	4,500	82,427	4,500	5,514	1,785
I. H. Asper School of Business	44,050	194,923	136,881	26,603	5,426
Medicine	3,308,046	11,184,661	10,101,896	2,452,095	393,950
Music					
Nursing	281,038	143,143	117,977	32,021	7,782
Pharmacy	207,333	298,923	104,539	52,739	9,361
Physical Education and Recreation Studies	215,472	411,899	51,050	61,898	11,378
School of Art		5,724	1,327	382	177
Science	245,302	2,982,767	485,488	184,322	31,932
Social Work	140,516	87,424	198,732	27,932	5,760
	5,674,994	26,479,922	13,549,115	3,522,213	593,958
Less Capitalized Items					
	5,674,994	26,479,922	13,549,115	3,522,213	593,958
Libraries			13,652	108	27
Less Capitalized Items					
Less Books and Periodicals Expensed					
			13,652	108	27
Student Affairs		563,631	1,253	93	86
Less Capitalized Items					
		563,631	1,253	93	86
Administration	55,216	91,444	170,573	23,431	4,385
Less Capitalized Items					
	55,216	91,444	170,573	23,431	4,385
Plant Maintenance					
Less Capitalized Items					
General					
Less Capitalized Items					
Other Academic Support					
Institutes, Centres and Specialized Academic Units	26,412	187,419	67,270	20,802	4,311
Research Development					
	26,412	187,419	67,270	20,802	4,311
Less Capitalized Items					
	26,412	187,419	67,270	20,802	4,311
Total of Research and Special Fund Expenses	$ 5,756,622	$ 27,322,416	$ 13,801,863	$ 3,566,647	$ 602,767
Less Capitalized Items					
Total of Research and Special Fund Expenses Net of Capitalized Items	$ 5,756,622	$ 27,322,416	$ 13,801,863	$ 3,566,647	$ 602,767

Supplies and Expenses	Equipment Alter.,Etc.	March 31, 2005 Gross Expenditure	March 31, 2004 Gross Expenditure
$ 1,901,155	$ 1,122,036	$ 7,415,142	$ 6,979,018
68,256	9,780	129,319	133,254
1,091,407	209,555	2,463,332	2,160,281
931,392	266,694	2,138,775	2,342,982
17,712		38,482	11,680
147,443	15,453	524,306	576,957
191,721	41,655	499,268	624,140
373,785	14,942	602,857	1,095,112
4,352,221	856,516	9,791,119	8,792,471
34,322		2,917,195	2,397,053
506,832	113,711	1,215,400	1,216,879
25,184	4,224	128,134	104,703
561,483	63,035	1,032,401	1,093,645
32,135,608	1,549,858	61,126,114	58,054,951
6,039		6,039	(84,275)
135,998	16,487	734,446	742,997
328,304	69,989	1,071,188	1,165,747
432,483	136,407	1,320,587	1,160,081
28,970	413	36,993	75,335
3,230,451	1,086,753	8,247,015	6,435,039
249,273	72,135	781,772	574,808
46,750,039	5,649,643	102,219,884	95,652,858
	(3,738,371)	(3,738,371)	(4,086,438)
46,750,039	1,911,272	98,481,513	91,566,420
79,284	14,318	107,389	73,611
	(4,602)	(4,602)	(17,666)
79,284	9,716	102,787	55,945
290,503	11,882	867,448	717,632
290,503	11,882	867,448	717,632
1,182,072	556,492	2,083,613	2,196,247
	(43,117)	(43,117)	(203,794)
1,182,072	513,375	2,040,496	1,992,453
(2,012)		(2,012)	52,420
			(1,896)
(2,012)		(2,012)	50,524
(4,285)	79	(4,206)	
(4,285)	79	(4,206)	
389,522	8,010	703,746	448,086
118,000		118,000	64,000
507,522	8,010	821,746	512,086
	(7,074)	(7,074)	(7,028)
507,522	936	814,672	505,058
$ 48,803,123	$ 6,240,424	$ 106,093,862	$ 99,204,854
	(3,793,164)	(3,793,164)	(4,316,822)
$ 48,803,123	$ 2,447,260	$ 102,300,698	$ 94,888,032